THE FINANCIAL POST OF CANADA

The Canadian Newspaper for Investors

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CURTAILMENT OF SHELL ORDERS NOT REGARDED WITH MISGIVINGS BY THE CAPTAINS OF INDUSTRY

General Readjustments of Labor Conditions Can Now be Made More Freely.

MONEY BEING RELEASED TO EXPEDITE SHIPBUILDING

Firms Having Valuable Trade Marks and Trade Connections Welcome the Opportunity to Get Back Into Regular Lines in Order to Maintain Their Position—Engineering Orders May Come From United States to Replace Shell Orders.

THE official announcement from Ottawa this week, confirming the statement in the *Financial Post* of last week, that the production of munitions in Canada would be curtailed to a great extent from now on, does not produce very serious misgivings in the minds of financial and industrial leaders. As was pointed out in FINANCIAL POST there is rather a disposition to view the cutting off of an abnormal source of employment long before the termination of the war as an advantage rather than an evil, as it permits of a gradual readjustment of labor conditions to be made more freely in the absence of the complication that would be created by the requirements of 200,000 or more returned soldiers for whom employment would have to be found at the same time that the shutting down of munition plants threw out at least 100,000 more.

Inquiries made by FINANCIAL POST of managers of a number of munition plants brought out the information that it was expected that in the near future thousands of men who had been employed would have to be let out. In the case of the Montreal Locomotive Works the munition orders are pretty well cleaned up and men are being released steadily. Upwards of 3,000 will be out of work here from this plant alone. On the other hand a proportion of these will find work on the regular business of the company, for the plant is now being turned over to handle orders for locomotives, chiefly from Europe, that will keep 2,000 to 2,500 men busy for the next twelve months.

More Money for Shipbuliding.

There is, moreover, a general feeling that the shutting down of munition orders in Canada has been done partly for the purpose of releasing money that could be expended on shipbuilding, and that this will mean an extensive enlargement of the previous activities of the Imperial Munitions Board along this line. This work, as the head of a large mill pointed out to FINANCIAL POST, will create a new demand not only for materials actually used in hull construction, such as nuts and bolts, but an auxiliary equipment such as engines, and in this connection it is stated that the Dominion Bridge Works are planning to go into the construction of marine engines on a very large scale in the near future.

Ease Up Labor Scarcity.

In addition to the compensations in the way of employment of a far greater number of skilled mechanics than have ever been required in Canada before, those in touch with the general industrial life of the city and province point out that the release of munition workers will ease up the labor scarcity that had become acute, and had forced many mills to fill the places formerly held by men by female labor, and in other cases lessened the production of the mills where satisfactory labor could not be secured even among women and girls.

Wages Will be Cut.

It is figured out, therefore, that by far the greater proportion of the munition workers will be able to find work in other lines. One modifying circumstance, however, is agreed upon by all, that the wages that are earned in the new employment will fall far below what was assured to all in munition plants.

As one large munition plant manager put it for FINANCIAL POST: "The average workman with us has been earning from $3 to $4 a day, that is the average. When they go out into other lines they must be content with $3 or under. On the other hand when the demand for skilled workmen increases, as it will, they will be paid from $4 to $5 a day and more.

As a typical example of this situation FINANCIAL POST received the following statement from Mr. Stagg, secretary of the Montreal Locomotive Works, that have employed between 4,000 and 5,000 men on munitions:

"So far as we are concerned the new order will mean, and practically has meant already, the throwing out of 3,000 men or more who used to make munitions. The men are not skilled mechanics; they are what are called 'single operation' men, who by a year's practice become skilled on a single machine or operation. The most of them could not be used for building locomotives, which requires a skilled mechanic. Among the munition workers, however, are the most of the leading men we had before, and these will be turned on to that work again, as we have orders on hand for a year for about 2,500 men. Then there is a proportion of the unskilled men who have shown themselves to have capacity to become skilled mechanics and these will be retained. We are practically all through with our munition orders and the plant is nearly changed over now. The subject of the readjustment is causing us much concern."

Not Many Steel Vessels in Winter.

H. H. Vaughan, formerly assistant to the Vice-president of the C.P.R., and now Vice-president and General Manager of the Dominion Copper Products Co., and of the Montreal Ammunition Co., a subsidiary of the Dominion Bridge Works, told FINANCIAL POST that the munition workers would be to a certain extent drafted to other lines of work. He does not place much credence on the theory that any large number of steel vessels can be built in Canada this winter, first, because the climate is too severe for much outdoor work, and Halifax is about the only place where launching could take place during the winter.

Likes Gradual Readjustment.

A firm believer in a present readjustment of the abnormal munitions situation is H. M. Jaquays, the Works Manager of the Steel Company of Canada. "It will be a good thing for the country," he told FINANCIAL POST, "if the readjustment is gradual, it will create much less disturbance in the country than if it were forced on us suddenly when the soldiers are coming back. A certain amount of the men in our plant can be drafted on to the regular work that calls for skilled workmen, but by far the greater number are what you might term 'pseudo-mechanics,' who have picked up a little knowledge of machine tools. The most of those will go out into other industrial work where there is a pressing scarcity and will be absorbed there. On the other hand, there will be a big development in the shipbuilding industry that will to some extent at least replace munition orders, not only in the actual building but in the making of bolts and rivets, in the building of engines and in all kinds of auxiliary supplies.

"So far as we can learn there will be an increase in 6 in., but shrapnel and 4.5 in. will be reduced. We ourselves have orders that will keep us to the end of September. No, the word from Ottawa does not impress me as a calamity at all."

A Welcome Change.

Many firms will welcome the opportunity to get back to the lines manufactured before the war. These firms have valuable trade marks and trade

Continued on page 5.

LOANS ARE REDUCED.

Chartered Banks Cut Down Both Call and Current Loans Last Month.

The Canadian bank statement issued yesterday showed a reduction in Canadian call loans for the month of July of almost $6,000,000. Outside call loans were also cut some $7,500,000 during the month. Canadian current loans were reduced about $10,000,000, and outside current loans about $3,000,000, an indication that the banks were busy last month strengthening their cash position. The banks' deposit in the Central Gold reserve was increased nearly $7,000,000 and the total assets rose some $39,000,000.

CANADA STEAMSHIPS CARRYING BIG TONNAGE

Volume of Freight Handled This Season Away Ahead of Last Year.

TOURIST BUSINESS POORER

American Tourists Seem to Have Been Frightened Away While Closing of Niagara Camp Meant Loss.

Running far ahead of last year in the volume of freight carried in all fields, and with charges per ton that in some cases are four times the prewar figures, and greatly in advance of one year ago, Canada Steamships are piling up goodly profits for the current year. No wonder then that the common stock is lively these days even without any promise that a dividend will be declared in the near future, and in the face of the known disinclination of many of those who are actively connected with the merger to pay any dividend on common until a big reserve has been piled up that will be proof against any temporary setbacks in the next few years.

The comptroller, F. S. Isard, was very enthusiastic about the freight operations of his line when seen by FINANCIAL POST this week.

"Our contracts for coal and ore will bulk upwards of 3,500,000 tons this year," he declared. "At present we are carrying coal and iron ore to the limit of our capacity. There is very little grain moving as practically all that was on hand has been moved, but this will start in a short time with the new crop. The prices we are receiving are very satisfactory. On iron ore we are getting $1.50 per ton where last year we received only 80 cents a ton and as low as 35 cents before the war."

The demand for the movement of coal is coming from more widely scattered points than ever and is likely to continue in the uncertainty about a supply. With the figures quoted by the Comptroller, security holders need have no fear as to the present year's returns in any comparison with last year.

U.S. Visitors Frightened Away.

The situation in regard to what is known as "tourist" traffic has not been so satisfactory. "We are behind last year on the total this year," said Mr. Isard. "Last year we had a phenomenal tourist traffic, but many of those who would naturally have come to us from across the border are being frightened away by stories that are told them as to the need for passports and other difficulties that would interfere with their holiday. The trouble is of course being exaggerated for selfish reasons by other lines in the States but it is impossible for us to combat this and business has suffered as a result."

Miss Camp at Niagara.

"Then our Niagara business has fallen off greatly as compared with last year. The reason for this, of course, is the absence of the heavy traffic to the military camp at Niagara that we had last year. So far as what we call the 'local' traffic out of Montreal is concerned, this is far above that of a year ago. Indeed east of here it has been very heavy. However leaving out last year, which was phenomenal, the present year is well up to the mark and is rather higher than normal."

CANADA'S WHEAT TO BE NEARLY 250 MILLIONS

Rains Improve Western Crops and Sample Plump.

BIG OATS AND BARLEY CROPS

Livestock Conditions Good—Prices Highest in History—Townsmen Help in Western Harvests.

By F. M. CHAPMAN,
Editor, "The Farmers' Magazine."

Canada is blessed with a better than average crop, with high prices prevailing. Her contribution, therefore, to the world's food drive will be a considerable factor. Threshing returns from the plains as well as from the Eastern barns demand instant upward revision of average yields. The grain spout is running full, with stooked fields crowding fast upon the available labor and implement forces. Ontario bids fair to surpass the monster yields of 1915 in oats, barley, mixed grains, beans, potatoes and fodder crops. Certainly in oats, barley and beans the situation is heartening. The West has pulled up her languishing flax crop somewhat this past week. Wheat returns are coming better than the averages of last week reported. Sir John Aird's estimate of 200,000,000 bushels of wheat from the Prairie Provinces seems to be well within the mark. A total of over 242 million bushels of wheat for all Canada looks quite possible now.

Ontario yields are promising big things. Indeed, it will not be surprising if the 1915 yields in coarse grains and spring wheat are surpassed. All over the province the reports carry the same rosy reports of big crops well filled, with granary samples plump and bright. Her acreages during the past three years in these have been as follows:

Acreages for Three Years.

(000's omitted)

Crops.	1915.	1916.	1917.
Oats	3,095	2,465	2,740
Barley	449	326	368
Rye	78	69	69
Mixed grains	345	286	295
Spring wheat	121	90	101

In each of these crops the yields promise to surpass 1915 average yields. This will give an oat yield approximating 120 millions, as against 50 millions in 1916 and 122 millions in 1915.

Fodder Crops Good.

In corn, root and late fodder crops the outlook in Eastern Canada is one of the best in recent years. Livestock are in excellent condition. Dairy farmers have full silos and root houses in prospect, with higher prices for milk products necessary by reason of the labor prices and the high markets for grains. Live hogs touched $20 on Toronto markets this week. Beef has recovered from its recent depression. The grain-fed cattle are about cleaned up, and good grassers will likely hold up in price all the fall. Sheep demands are likely to be stronger for breeding purposes, as some sections are going strong after them.

Altogether the East will carry more money from its crop in the farmers' hands this year than any year of the war. In all lines, with the possible exception of potatoes, which are a bumper crop, the prices will outrun those of last year.

Lack of Plowing.

One regrettable feature of the situation is the lack of fall plowing likely to be done because of a delayed harvest, a shortage of labor, and the slowness of getting tractors out to the farms.

With a prospect of large numbers of men being released from munitions, there seems abundant opportunity for rushing these men into service on tractors all over the East. The demands from the farmers themselves are insistent. The Governments apparently are only keeping pace with the paper demands. A plowing campaign should, many think, be forced ahead now, with at least 500 tractors in Ontario alone. Fall wheat acreages will not equal last year's unless a push is made soon, while fall plowing is necessary to ensure average crops in 1918.

Portage Crops Best in History.

The West presents, as remarked, a better outlook this week. Miss E. Cora Hind, of the Winnipeg *Free Press*, wires this morning, after personal inspection of large areas:

Since my wire of the sixteenth from Hamiota, have visited the famous Portage Plains of Manitoba, and in a sixty-five mile run found they had one of the best crops in their history. The average of the district will be somewhere around 25. Oats also are better there than elsewhere, and there are very large areas of excellent fodder, corn and much good barley, though this crop on the whole is rather late. After travelling over a thousand miles by train, and motoring over three hundred, zigzagging across the province from southeast to northwest and back again into Winnipeg, am convinced that the yield of wheat for the whole province will not be much, if any, under fifteen bushels, and may go higher. It will nearly all be of excellent quality, and the percentage of No. 1 fairly high.

By the end of this week 75 per cent. of the wheat in Manitoba will be cut and stooked, and a very fair proportion of oats and barley. A little threshing is being done, but it will not be general for at least two weeks and, if the weather is suitable for fall cultivation, threshing may be delayed even longer. So far as stooking is concerned, the present need is being largely met by the organization of stooking gangs from the small towns. Business men close their places at four-thirty and rush out in motors to the field and stook until dark, a matter of four straight hours, and, as from 80 to 150 go out from a single town, they accomplish a great deal. These men take thirty cents an hour from the farmers and turn it into the Red Cross Fund. This arrangement, however, will not meet the needs for threshing.

Worst Drought Districts Improve.

This week I have spent in southwestern Saskatchewan, having crosscut the country about midway between the international boundary and the main line of the C.P.R., making Shaunavon, 629 miles west of Winnipeg, on the Weyburn-Lethbridge line of the C.P.R., and motoring across country from that point to the main line. Roughly, I have traversed the districts which are supposed to have suffered the most severely from drought, and I think I say with safety that I have seen the worst of the Saskatchewan conditions, and while they are decidedly bad they are not so bad as was feared three weeks ago.

Conditions in this territory may be roughly divided into two classes: Crops on summerfallow and fall plowing, and crops stubbled in and flax on spring breaking. Crops stubbled in are almost universally poor, and many of them will not go over five or six bushels to the acre; even that yield will pay for cutting and threshing this year. The largest area of crop of this class is to be found between Reston and Carlyle, on the Arcola line of the C.P.R., and Tatagawa and Willows, on the Weyburn-Lethbridge line, and in this latter section are to be found many crops of flax on spring breaking which simply cannot be cut. This year is no different to any other in this respect. The farmer who has done good farming has a crop, and the farmer who chucked his seed in anyhow has got mainly what he deserved, though there was possibly more excuse this season than usual owing to the urgency of the Dominion Government that every acre should be seeded, and the lateness of the season making thorough cultivation difficult, if not impossible.

After allowing for all the bad crops there is an enormous amount of splendid wheat in the territory mentioned, while large areas will yield from 18 to 25 bushels of wheat, and oats in this territory of Saskatchewan, generally poor, with the good crop the exception.

Around Assiniboia there are large

Continued on page 6.

FINANCIAL ASPECT OF THE NEW EMBARGO

Question Raised as to Who Will Finance the Pack of Canned Goods.

STORAGE AND TRANSPORT

If Retailers Will Not Buy and Store the Goods as Produced, Serious Situation May Possibly Develop.

Food Controller Hanna, in an order issued Wednesday night, has added to the list of goods under ban by forbidding the retail sale of canned peas, corn and tomatoes until October 15, for Eastern Canada, and till October 1 for points west of Sault Ste. Marie.

This new order was promulgated with the idea of making full use of the fresh vegetable supply, and placating the hucksters, who have been protesting that, after the Government has urged the increased production and sale of fresh vegetables, there has been a tendency for the public to prefer the canned article.

The restriction imposed will work no great hardship to the buying public, as there is naturally a limited sale of these goods during the period named. There are, however, several outcroppings from this new order that might very readily have a serious effect. Some of these objections were forcibly urged by Mr. Gordon, president of the Western Grocers' Guild, in a meeting held in the King Edward Hotel, Toronto, on Wednesday, to consider the matter.

Westerners Dependent.

Mr. Gordon pointed out that conditions in the West varied from those in the East; that the Western farmer grew grain, and practically nothing else. It was rarely that he raised enough vegetables to feed his own family, and he was, therefore, dependent on canned goods, if vegetables of any nature were to be used. That, thought Mr. Gordon, would mean a considerable hardship; but there were other phases of the situation that were also of considerable moment. There was, first of all, the item of who was to finance this pack. It has been the custom in the past to ship the orders as soon as they were packed, and these orders were distributed by the wholesalers on such terms of credit as they had arranged. Now, however, they were faced with a different situation. Would the retailer be content to receive, store in his cellar and pay for, goods that he was not permitted to sell? If not, could the wholesaler be expected to carry these items on their books, when in many instances their accounts were already as high or higher than was justified? If the wholesaler did not carry these accounts, would then the

Continued on page 7.

CANADIAN PAPER MILLS MAY BE FORCED TO CLOSE

Prominent Manufacturer Thinks That Only Enough Sulphur May be Allowed to Come Through to Meet Urgent Needs.

The report that an embargo had been placed on the export of sulphur from the United States to Canada has not yet received any official confirmation at Ottawa, according to I. H. Weldon, president of the Provincial Paper Mills.

"Two-thirds of the great metropolitan dailies in the United States are supplied with newsprint direct from the paper mills in Canada," said Mr. Weldon to the FINANCIAL POST. "Sulphur is as essential to the making of paper as coal, and if an allowance of sulphur is to be made to the mills, production will be curtailed. If the supply of sulphur is cut off completely, the mills will be forced to shut down, as no sulphur can be obtained from Sicily, and Canadian mills are wholly dependent on the United States for their supply. Before the war most of the Canadian sulphur came from Sicily.

"Newsprint requires about 25 per cent sulphite pulp. From information secured, it seems altogether likely that the export of sulphur from the United States will be restricted, allowing only enough for actual newsprint requirements. This will affect the book papers and higher grades of paper, and will force the mills dealing in these commodities to shut down."

In Washington, the paper industry is a secondary consideration, and paper is considered a luxury when there is such a keen demand for sulphur in the manufacture of explosives. But while war needs will receive first consideration, it is generally conceded that the newspaper industry will be protected. Fortunately for Canada, American publishers are dependent on the Canadian mills, and by protecting their own interests, will automatically protect the Canadian publishers. Sulphur which sold before the war at $21, is now selling at from $35 to $40. There is no known substitute.

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Statement to the Dominion Government (Condensed)
31st July, 1917.

LIABILITIES TO THE PUBLIC

Notes in circulation	$ 5,393,091
Deposits	53,359,533
Other liabilities	1,109,398
	$59,862,022

ASSETS

Cash on hand and in Banks	$10,679,101
Deposit with Government account note circulation	245,822
Government, Municipal and other securities	10,766,692
Call and short loans	6,723,977
Current loans and discounts and other assets	38,009,594
Bank premises	2,348,293
	$68,773,479

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Paid-up Capital	23,266,202.34
Reserve Fund	19,466,400.00
Deposits (31st Dec., 1916)	$849,809,215.41
Cash Reserve	233,468,740.28

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NEWS OF SECURITIES—Prices Are Firmer

STEEL

I.M.B. to Issue Statement on Shell Situation—Marine Work Replacing Munitions—Market Features.

By P. BAIN, M.E.,
Editor Canadian Machinery.

Curtailment of Canada's shell industry is being accepted as immediately probable, although it would perhaps be more correct to say that its further restriction has become quite imminent. The existing uncertainty is, however, on the eve of removal, the Imperial Munitions Board having decided to issue forthwith an official statement on the subject.

That the initiation and development of munitions making in Canada required the display of much administrative tact and foresight, and that each was forthcoming in generous measure, few will be found to dispute; but what of the passing of the industry? It seems to us that to a still greater degree will the executive ability of our Munitions Board be taxed if our industries generally and our metal-working plants particularly are to be spared a succession of jars and jolts, and their operators be immune from even a moderately extended period of unemployment.

It is worth while noting that the inception of our shell industry was accomplished in the most unspectacular manner, and its subsequent growth to immense proportions was also so realized. Why not let its decline be equally unspectacular, and its final passing out of the least possible moment. Judging by the procedure being adopted by the Imperial Munitions Board, and the efforts of our manufacturers to co-operate with them as regards stopping the gaps created by taking hold of other lines of product, we are constrained to believe that the absolute minimum of business dislocation will ensue as shell-making disappears; in a word, it is more than possible that there will be no dislocation at all.

On the question of operators' wages, high as these have been during the greater part of the munitions-making period, we do not anticipate any material lowering for many months to come, in view of the fact that men of all trades and callings are in keen demand, and for those more or less unskilled, the prospects are every whit as good. Further, until the cost of living gets back to near normal, which is problematical that it ever will, we need not look for any very material change. Labor cost, perhaps more than any other thing, is going to be the post-war problem of every civilized nation—warring or otherwise, and it will press itself to the forefront in good time, perhaps earlier than expected. We in Canada have been singularly free from labor troubles, and it will meantime be discreet to meet any development connected therewith when necessity arises and only then.

To what extent Canadian metal-working plants are likely to participate in U. S. Government contracts is meantime not over clear; however, private advices from Washington, D.C., indicate that contracts covering a miscellaneous assortment of ship and munitions production equipment are likely to be procurable. Ships' anchors, to mention one line for which contracts are pending, are called for in quantity up to 20,000,000 pounds, and difficulty is anticipated in placing the complete order in the States, plants engaged in the manufacture of these products in the past being under somewhat of a handicap because of each anchor unit being a departure from former practice.

It is understood that some Canadian metal-working interests have already taken action as regards securing American Government war business, with what success, however, we are not at the moment in a position to say. Others are doubtless anxious to bear a part in the work, if they can get opportunity; to which end, information available to us is at their disposal.

No definite action on the part of the American Government has yet been taken as regards fixing prices of steel, its constituent, and the products thereof, but in the past few days it has come to be realized that existing quotations are likely to be drastically treated. The trend of stock values on the New York Exchange late in the week is expressive of the above, and naturally the effect has become quite noticeable in our own markets.

Considerable activity has been evident in Dominion Steel common and in Steel of Canada common, in spite of the New York tendency otherwise. Attractive as present prices may seem, so far as dividends current are concerned, the outlook is by long odds too uncertain for serious commitments. We look to see much lower prices in the near future, and consequently greater opportunities offering both from an investment and speculative point of view.

	Close, Aug. 16	Close, Aug. 23	Change
Can. Car, com.	31	32	+ 1
Can. Loco., com.	61½	61½	..
Gen. Elec., com.	103	103¼	+ ¼
Dom. Bridge	146	145½	— ½
Dom. Iron, pref.	90½	92	+ 1½
Dom. Steel	61½	64⅞	+ 3⅜
N.S. Steel, com.	104½	100	— 4½
Can. Forgings	170	170	..
Steel of Can. com.	58	58½	+ ½
Do., pref.	90½	91	+ ½

DOMINION STEEL CORPORATION.

Dominion Steel Common has been a strong and active feature, several thousand shares changing hands each day on a rising market whose top price of 66⅛ compares with 61½ at last week's close. It is officially announced that the floating stock has been much reduced of late, outside interests now controlling only some 45,000 shares. In the matter of cash resources, the Dominion Steel Corporation has probably something like $6,000,000 on hand, a factor of strength which can be best appreciated when account is taken of the Company's indebtedness position in 1913. Coincident with an early week tip to buy steel Common, the large pool which has been selling freely of late withdrew its offerings.

An increase in the common dividend from 4 to 5 per cent. per annum is viewed as a reasonable certainty later on in the year. The general expectation is that company will retain the 4 per cent. rate for the first half of the year, and start the 5 per cent. in the third quarter; that is, with the payment due about January 1, 1918. With earnings as buoyant as they have been the last two years the difference between a 4 and a 5 per cent. rate means little to the corporation.

NOVA SCOTIA STEEL & COAL CO.

Little activity has been evident in "Scotia," the few transactions recorded bringing the price down to 103 which compares with 104½ a week ago. This stock made a substantial advance about 10 days ago when Canadian steel stocks generally were sagging, and as if destined to continue to act contrarily, it and they have now changed direction. Sales of "Scotia" took place on the New York market at as low as 100½ during the week, a net decline of 3½ points from the recent high. It is believed that the stock will in future be more under the influence of the New York market than of that here.

The steamship War Wasp, built by the Nova Scotia Steel & Coal Co., and the first steel steamer to be built in Nova Scotia, is now plying the high seas, as a full fledged freighter. In all her trials, she measured fully up to requirements and to expectations. Work on the two sister ships is being vigorously prosecuted.

STEEL CO. OF CANADA.

Largely in sympathy with the advance in Dominion Steel common, and arising from its almost equally intrinsic merit, Steel of Canada has attracted a fair measure of attention from traders, the result being a new high level of 60¾ reached, as against 58 at last week's close. It is quite evident, having regard to the substantial nature of the Company's finances, the excellent physical condition of its various plants and their meantime capacity activities, that any development of strength by the market as a whole would be reflected by a material upturn in both common and preferred stock values.

DOMINION BRIDGE CO.

Dominion Bridge has been quiet, the few dealings registered taking place at 146 and 147. Interest is becoming more and more focussed on the erection of the centre span of the Quebec bridge, and there is little doubt but success of the effort soon to be made will be the signal for an immediate and big advance in the stock. It is reported that excellent progress has been made in the work of building the new span, and that a date close to September 11 will mark the erection proceedings, which, we understand, will be more or less private.

The Bridge Co. executive is evidently fully awake to the importance of adjusting its machinery as rapidly as possible to conform with the changes which are taking place in industrial requirements, and in this connection is placing itself in a position to take charge of its regular commercial lines as quickly as business of this character is available. Not long since, it accepted an order for the construction of marine engines required for ships to be turned out in Canada in connection with the new shipbuilding programme. The statement is now heard that a further order, running into several hundred thousand dollars, has been placed for marine engines.

CANADIAN CAR & FOUNDRY CO.

Officers of the Canadian Car & Foundry Co. are hopeful of landing a goodly portion of the Russian car orders soon to be placed. The balance of the order for 2,000 cars from the same source, received some time ago is expected to be ready for shipment in about 30 days' time. Towards the middle of the week a moderate amount of activity developed in the common, resulting in a stiffening of the price to 32, with a tendency for it to go from 3 to 5 points higher should the present activity in and demand for steel shares be maintained during the ensuing week. The company is believed to have turned the corner, and the Street looks forward to this year's earnings rehabilitating the stock as a market favorite.

NATIONAL STEEL CAR CO.

The advent of J. E. McAllister, as vice-president and general manager of the National Steel Car Co. is perhaps the outstanding feature of the week. Mr. McAllister is Canadian born and educated, and brings to his new appointment a wide and varied experience since graduating from Toronto University in 1895. The common and preferred stocks continue inactive, although doubtless more or less interest may be awakened in them under the general market influence or through evidences of early plant output developments.

LAKE SUPERIOR CORPORATION.

Lake Superior Corporation officials at Sault Ste. Marie announce that the full five per cent. interest on the income bonds will be paid October 1. The announcement confirms what had been anticipated in view of the company's earnings. This will be the first payment on the income bonds since 1913, five per cent. having been paid in that year and in 1912. The amount of the issue is $3,000,000. A Philadelphia interest says: "The annual report considered at Wednesday's meeting of the directors should be satisfactory to those who have not held exaggerated ideas as to profits. Of course, large appropriations of earnings have gone into the open hearth furnaces and other improvements. It is worth while to observe that the price being received by the company on steel from the British Government is much better than the basis proposed in the United States by our own Government for steel companies here.

TEXTILES

Market Very Quiet and Slightly Easier—Mills Still Loaded With Orders—Raw Cotton Off a Little.

By H. H. BLACK,
Editor, Dry Goods Review.

The whole textile market was listless this week, and only a little spurt of a couple of stocks on Thursday saved the situation from a summer deadness. In nearly every case the textile stocks are held by those who are content to await a steady increase in the intrinsic value of the plants, and the whole system of development has been along industrial lines rather than those that might be expected to tickle the man with a speculative bent. That is, the most of the holders of textile stocks, perhaps to a greater extent than those of any other group, may be classed as the friends of the industry, and satisfied with small returns at the moment for the substantial future benefits that will accrue.

The general manager of one of Canada's well known textile mills, in conversation with FINANCIAL POST this week, mentioned a huge amount that had been taken from earnings in the past few years and turned back into improved equipment; no piling up of capital expenditure that would claim a heavy interest payment each year, but a forcing of the plant to take care of all improvements to machinery. What fancy dividends could not have been declared had this money been divided up among the shareholders! As it is, the relation of the assets to the share capital has been improved immensely, and the rich advantage will come in good time to those who hold the securities.

In the cotton mills the new business continues to fall below that of last year, but this was expected and provided for. In the case of the knit goods mills the orders cover the capacity of the mills with the supply of wool taken into account; the relative scarcity in the latter lines is greater than in cottons, and the buying on that account the heavier.

One of the wonders to all textile men at the present time is the remarkable buying that continues in the face of excessive prices. "There is no sign yet that the public are refraining from buying on this account, and for several months now we ourselves have been hesitating to plunge as we did last year, fearing the public would not follow us," remarked a manager to FINANCIAL POST.

Fortunately for prices of textiles the raw market still keeps somewhat easier and spot cotton this week was selling most of the time under 25 cents, about 10 cents above the price of a year ago. Thus the mills are able to issue price lists for spring and to maintain them, as they were not able to do in the wild fluctuations that distinguished the market a few months ago.

The ranges in stocks this week have been as follows:

	Close, Aug. 16	Close, Aug. 23	Change
Can. Cot., pref.	77	78	+ 1
Do., com.	52	50	— 2
Dom. Tex., com.	84	83¼	— ¾
Do., pref.	101	..	..
Mont. Cot., com.	54	52	— 2
Penmans	70	70½	+ ½
Mon. Knit., com.	35	35	..

MONARCH KNITTING CO.

It is many weeks since there were any sales in either common or preferred. The last in the former was at 35, a decline at the time from the 40 mark that had continued steady from the first of the year, and one realized from a very few sales. The preferred, at a sale in April last, was at 80.

MONTREAL COTTONS.

The general quietness of the market has continued in this stock also, and there is no movement to record this week. Two weeks ago the price was 54, slightly higher than the average for July.

PENMANS.

A few sales of the common on Thursday at 70 kept this stock on the market this week at the same as last week, although nothing was done with the preferred. Orders on Spring business continue to come in in good volume, and the mills are assured of all the work they require for many months to come.

PATON MFG. CO.

This is one of the woolen industries that has prospered more than ordinarily through war conditions. Owing to the scarcity of supplies from across the seas domestic orders increased to the capacity of the plant, and this has been the case for the past eighteen months. The continued prosperity is indicated by the announcement on Thursday of this week of a further bonus of 2 per cent. in addition to the regular one of 4 per cent. for the half year. With the bonus of 2½ per cent. in March, this makes a total of 4½ for the year. Last year was even better in this respect, as the bonus amounted to 5 per cent. The net profits for the year ended January 31, 1917, were $314,311, as compared with $217,202 for the previous year. The slight cut in the bonus does not indicate smaller earnings, but the working out of a conservative policy that recognizes that present conditions must come to an end, and that the time for this is too uncertain to take any risks. The price of the stock whenever any ventures out of its closely kept hiding place, reflects the strong position of the concern. With the majority of stocks a 1916 price stands above; with this stock it is far below, as 102½ is to 130, the last recorded sale.

DOMINION TEXTILE CO.

The raw cotton market for the past few weeks has shown a sufficient tendency to avoid any wild flights in an upward or downward direction as to permit a definite price list on whites and greys to be issued this week by the Dominion Textile Co. This relates to goods for spring, 1918, and as expected, shows a considerable increase in prices over that of one year ago. However, in the present condition of scarcity all over in these lines, the point of price is not as important as that of the ability of the mills to supply the demands of their customers. While there has not been sufficient time to give any indication of the extent to which these goods will be bought up by the trade, an official of the company informed FINANCIAL POST that the orders that had been received from the jobbers for prints for next year exceeded their expectations, although they were not, for reasons that have been mentioned before, equal to those of one year ago. A similar condition is looked for in the reception to the latest list that has been issued. The fact that there are some deliveries still to be made by the mills on last year's contracts will cut down the size of the new orders. The Dominion Textile Co., as FINANCIAL POST was assured, has been observing scrupulously the policy of filling all old orders at the original contract price, when they have run behind with deliveries to such an extent that the new season's prices are out before the total order has been completed. There have been cases in Canada and the United States where mills have ignored the balance of the old order as soon as the new and higher prices came into effect.

The common, which had sold last week at 84, fell off slightly on Thursday, when three shares only were taken up at 83¼. There were no sales of the preferred, which last week reached 101.

CANADIAN CONVERTERS.

"Generally speaking we are quite satisfied with the outlook, and the orders for next spring are larger than we anticipated," was the statement made to FINANCIAL POST this week by an officer of Canadian Converters Co. "Immediate business is behind the record of last year, but that was exceptional, and we are running up to normal in this. Buyers, however, are quite cautious compared with a year ago.

"If we never sold another dollar's worth we would have enough business to keep our mills going up to the end of April next," he continued. "The mill is planning now for next fall and cloths are being bought from the manufacturers and samples in men's lines such as overalls, working shirts and boys' goods will soon be on the market. The prices on these will be very high, more than double in many cases and as high as three times what they were before the war."

There have been no sales of the stock this week, as last. The range of two weeks ago was between 40 and 43.

CANADIAN COTTONS.

Business continues steady, with the mills having orders still piled up and not at all sorry for a slight falling off in new business in order to catch up. After two weeks of inactivity there was a sudden movement of common on Thursday, and a number of shares, some 136, changed hands at 50, one point below the previous close. In the preferred there were a few sales at 78, which marked a net gain of one on the 26 shares that were sold last week at 77.

DOMINION TEXTILE CO.

"It is only the high cost of materials and of labor that will cause any delay in the building of our new mill at St. Lambert, and not industrial conditions," said F. G. Daniels, the General Manager of the Dominion Textile Co. to FINANCIAL POST this week. So far as the municipality is concerned the legal requirements covering financial and other aid were complied with on Monday when no opposition developed to the bonus. Mr. Daniels stated that all the preliminaries will be attended to at once for the construction of the mill and just as soon as there is an approach to normal prices building will be pushed, and it is the opinion around the office that this may not be as long as it sounds. Building at present, according to Mr. Daniels, would involve an additional expenditure of $500,000 over normal.

Some misapprehension has arisen in regard to the financial terms that have been arranged between the town and the company for this new mill that will employ nearly 3,000 hands. Bonds are issued to the extent of $95,000 and these are placed at the disposal of the company gradually as the contract becomes completed, the last at the expiration of ten years. In order to get over a difficulty the company pays one-half of the sinking fund for the first ten years, $950 a year. In return a site of 1,250,000 square feet, or some thirty acres, is provided free as well as exemption from taxation, etc. The cost of the new mill will run between two and three million dollars.

MINING STOCKS

Small Bull Market Developed During the Week But Failed to Hold Out More Than Day Or So.

The mining market came vigorously to life on Tuesday and by Wednesday a nice little bull movement was well under way. However, on Thursday there was a slackening of interest and, while sales were still unusually large, there was a tendency to take profits and close out. Prices eased off considerably in some cases, though for the most part stocks held their gains very well. The net result of the week's business was to move practically the whole list up. The change for the week in the principal issues was as follows:—

	Close Aug. 16	Close Aug. 23	Change
Adanac	.17	.18	+ .01
Beaver	.37	.36½	— .00½
Dome Exten.	.16	.16¾	+ .00¾
Dome Mines	9.95	10.25	+ .30
Hargraves	.11½	.13¾	+ .02¼
Hollinger	4.40	4.70	+ .30
McIntyre	1.52	1.60	+ .08
Nipissing	8.00	8.45	+ .45
Vipond	.32½	.34	+ .01½
Newray	.70	.77	+ .07
Timiskaming	.32¼	.32½	.00¼
West Dome C.	.18	.19	.01

The following table shows the extent of the trading each day on the Standard Exchange, together with the quotation on silver metal. It will be noted that the price of the latter continues to advance and on Thursday was still at the high point.

	Transactions Shares	Silver Cents
Friday, Aug. 17	75,750	86¾
Saturday, Aug. 18	*Exchange closed.	
Monday, Aug. 20	89,211	87¾
Tuesday, Aug. 21	155,180	88¼
Wednesday, Aug. 22	190,637	88¼
Thursday, Aug. 23	139,982	88¼

Yesterday's mining market evinced renewed strength, following the better tone in the New York market.

It is reported from Washington that treasury officials are showing some concern at the high price of silver. The high price is attributed in part to the extraordinary demand for silver coins. All the mints are working at capacity, but cannot turn out enough ten, twenty-five and fifty-cent pieces and dollars to satisfy the demand. A conference of superintendents of mints and assay offices has been called for September 12 at San Francisco to devise ways and means of increasing the output. With plenty of silver on hand before the war opened, the price was forty-nine cents. It is predicted that if the war continues long and business activities hold up, the price of silver will climb even higher than it is now.

Under the heading "What ails the silver stocks?" the Financial World of New York has the following to say on the present situation:—

"Silver metal has lately reached its highest record price per ounce in 25 years and in addition the price in the west, where the largest production is taking place is about 3c. per ounce better than the New York price, which is around 86¾c. China and Japan and Mexico are calling for silver insistently, all Europe wants it for coinage, as the supply of gold has been depleted to meet indebtedness in this country. There hasn't been a whisper of a hint that the Government will try to fix a price for the metal. It has a free market and that market will remain free, without question. The only wonder is that silver is really as low as it is, considering the additional calls for its use.

"And yet the silver stocks, those traded in on the curb, do not join in the speculation such as is going on in the oil shares. The Cobalt and Tonopah stocks that pay dividends pay little attention to the rising tendency in silver. Traders and speculators wonder why and many are the theories set forth to explain the anomaly. In some quarters it is said to be feared that most of the present silver producers of Cobalt and Tonopah are pinching out and are really liquidating propositions, with the question constantly arising. What is the extent of the ore reserve? These questions are not answered satisfactorily and therefore the silver stocks are a gamble group merely. If another boom comes it will come through the discovery of a new silver camp, according to many observers, and the incorporation of a new group of stocks or the public will fall for another campaign in the existing issues on fanciful stories of new strikes, big gains in earnings, etc."

Last week nine Cobalt companies shipped an aggregate of fourteen cars of ore, containing upwards of one million pounds. This constitutes a record for any one week during the current year. The previous high record was made during the week ended June 15, when thirteen cars, containing 956,408 pounds, were sent out. Only on three previous occasions this year has the aggregate for any one week exceded 900,000 pounds.

The final returns of the British Columbia Department of Mines for the year 1916 show an output valued at $42,290,462. Conditions were somewhat unsettled, as they have continued to be during the first half of the present year, but both the quantity and the value of the output are steadily increasing. Strikes of the employees in the coal mines have been the principal drawback, but at present conditions in this respect are fairly settled, and there is reason for hope that the returns for the current year will exceed those of last year.

The Provincial Mineralogist of British Columbia says—"Had it not been that the Crow's Nest Collieries through a series of mishaps—accompanied by a serious shortage of labor due to the war, followed by a labor strike—were unable to make as large an output as expected and intended, the coal and coke production would have been much greater; but as it was, there resulted such a shortage of coke as to partially close the copper-smelters, and these in turn compelled the copper mines to very much curtail their outputs. But for these untoward circumstances, it is certain that the output for 1916 would have approached the $50,000,000 mark."

GRANBY CONSOLIDATED.

Granby Consolidated has some big plans for expansion calling for substantial expenditures, which will probably all be financed through earnings. During the past fiscal year ended June 30, the company spent approximately $1,000,000 for improvements. In the current fiscal period just started probably a larger amount will be spent in carrying to fruitition plans now under consideration.

July costs of production were around 10½c. a pound, indicating an advance of more than a cent a pound over the June average, but this was due to the fact that Granby includes in its cost sheets new construction and improvement charges which were heavier than the previous month.

The company has worked itself into an enviable cash position without a dollar of debt either in advances against copper or loans and with about $4,200,000 in cash and copper to its credit, whereas a year ago it had about $1,400,000 owing against advances received against its copper. The bonded debt has been reduced to around $2,000,000, against the original issue of $3,500,000. This means a steady reduction in fixed charges.

Granby has acquired a high grade coal property, one seam of which shows 20,000,000 tons of high grade coking coal. Engineers have left for this new property to superintend the new by-products plant to be built and which, it is planned, shall supply all the company's coking needs at a low cost, leaving a substantial tonnage of this material for sale in the open market.

Between $1,250,000 and $1,500,000 will be spent in developing and bringing to a productive stage the new coal and coke property, all of which will be taken from earnings and will not interfere in any way with the maintenance of the present 10 per cent. dividend rate.

All mining properties which Granby owns have been contributing liberally to smelters of the company. The It mine, about fifty miles from Anyox, ships about 1,500 tons of high grade ore monthly; this product carries about 88 pounds of copper to the ton of ore. The Midas mine in Alaska also ships to the Anyox mine smelter ore which carries about 60 pounds of copper to the ton of ore.

CONIAGAS.

The Coniagas Mines, Limited, are now proceedings to development of deposits located on the Ankerite property, Porcupine. The Coniagas Company has held this property under option since February, 1916, and during this period has conducted an extensive and successful exploration of one of the three claims comprising the group. Two strong, parallel veins were located, one for a length of over 1,400 ft. and the other for about 900 ft. These were explored by crosscutting, sinking, drifting and diamond drilling at numerous points, along their strike, and it is said that satisfactory gold values were found at every point. A steam power plant for development purposes is now being installed, and while development of located deposits is under way the company will proceed with the exploration of other areas of the property.

McKINLEY-DARRAGH.

According to Kiely, Smith & Amos the McKinley-Darragh have cut a new high-grade vein averaging four inches in width on the 350-foot level. The extension of the famous Cobalt Lake fault vein has also been discovered on the 400-foot level, which gives every indication of developing into a large tonnage of good mining ore. The alterations to the mill are being pushed ahead as rapidly as possible, and within a short time the mill will be treating 250 tons per day.

ORR GOLD MINES.

The property of the Orr Gold Mines has been purchased by a new company recently formed for the purpose of taking over the Hunton, Kirkland and the Orr. The Orr Gold Mines Company has a capitalization of two mililon dollars divided into shares of one dollar par. The new holding company is capitalized at three million dollars, also of shares of one dollar par value, and with two million shares in the treasury. The north claim of the Orr group lies immediately adjacent to the Teck-Hughes and the Kirkland Lake Gold.

TIMISKAMING.

Shareholders of the Timiskaming will hold a special meeting on September 6. The business before the meeting is to consider a by-law setting a fixed date for holding the annual meeting of the company, to consider a by-law requiring 20 days' notice of the calling of all shareholders' meetings, to repeal By-law No. 16, which requires proxies to be filed with secretary of the company at least two days prior to the date of the holding of the meeting at which such proxies are to be voted, to appoint an engineer to examine the mine and to report back to the shareholders, and to accept the resignation of any or all of the present directors of the company and to elect other shareholders as directors to fill the vacancies thus created.

Unusual light promises to be thrown on the affairs of Timiskaming in that certain shareholders of that company have suggested that report other than that of the management which was comparatively unfavorable, be made by a disinterested party. A special examination by Mr. Neeley, manager of the Penn Canadian mine is now underway and will be ready for the shareholders at an early date.

BUFFALO.

Announcement of the reduction of the par value of the stock of the Buffalo Mines, Ltd., from $1 to 75c, through the disbursement of 25c a share to shareholders is in line with the policy of the company to pay off gradually the entire capitalization in anticipation of the exhaustion of the mines. Approximately 300,000 tons of ore are left to the properties which are being blocked out to be mined, so that operations will continue indefinitely, but the directors of the company have decided to reduce the par value of the stock in the meanwhile rather than make distributions in the form of extra dividends. It is pointed out by a high official that the payment of an extra dividend of 25c would mean the same return to the shareholders as the decrease in the stock's par value to 75c. and that mining companies as a rule adopted the method of making extra distributions to reimburse their stockholders against the discontinuance of production. However, the Buffalo Mines, Ltd., determined rather to reduce the par value of its stock through instalments in order to leave the stockholders under no illusion as to the value of their holdings. When the price of silver declined to below 50c per ounce at the outbreak of the European war the company began to accumulate its production of the white metal instead of selling it at the lowered figure. In this way a large supply of silver was stored up and the last of this accumulation has just been sold at a 30c advance over the quotation made three years ago.

NIPISSING.

The directors of Nipissing Mines Company are scheduled to meet about Sept. 20 for dividend action, and in usually well informed quarters the belief prevails that an extra distribution to stockholders will be ordered at that time. The belief is based upon the high prices for silver recently prevailing and to the strong financial position of the company. On July 1 last the company had cash and cash assets amounting to $2,579,903, and it is understood that on Aug. 4, after payment of the dividend on July 20 the amount of cash assets was substantially the same.

CANADA COPPER.

The Canada Copper Corporation of British Columbia will hold a meeting of the stockholders on August 29, to authorize the issuance of $2,500,000 ten-year, 6 per cent. first mortgage sinking fund convertible bonds dated January 1, 1918; also to act on increasing the authorized capital stock 1,000,000 shares.

The company now has an authorized capital of 1,000,000 shares, $5 par value, of which 945,454 are outstanding. There are also outstanding $63,800 debentures, which are called for redemption. These are convertible into stock at par.

The new bonds will be used to cover further development of the properties recently acquired from the British Columbia Copper Company; also the installation of a 3,000-ton mill and to supply working capital. The properties are at Princeton and Greenwood, B.C.

Stockholders of record August 14 will be entitled to subscribe for their pro rata share of the new bonds. Bonds are convertible into stock at any time before maturity at $3 a share, but are redeemable at the option of the company on and after January 1, 1918, at 110 per cent. and interest.

ELECTRIC RAILWAYS

Agitation is Developing in the United States For Increased Fares to Offset Heavier Costs.

The difficulties which traction companies are having to contend with in the matter of increased costs is well exemplified by the experience of the Toronto Railway Co., to which reference is made below. In this case a very heavy advance in wages will have to be granted to motormen and conductors, an advance which will eat up profits and likely compel a passing of dividends. The only remedy would appear to be an increase in the selling-price of the service rendered and this is not always possible.

In this connection it is to be noted that twenty-eight electric railway companies in New York State have been applying to the up-state public service commission for permission to raise fares from five to six cents. Among those who supported the application was Edmund P. Waller, manager of the railway department of the General Electric Company of Schenectady, who made a strong point of the increased cost of electric apparatus in use by street railways.

"Beginning with the middle or latter part of 1914," said Mr. Waller, "there has been a steady increase in the price of the following electric equipment and apparatus, until today the percentages of increases as compared with the latter part of 1914 are about as follows: Motors and car equipment, 65 to 70; air brakes, 60 to 65; rotary converters, 45 to 50; transformers, 50 to 60; switchboards, 76 to 80; motor generators, 55 to 60; turbines, 100 to 120.

"I see no prospect of any substantial reduction in prices for the near future. Labor has also shown an increase of from 30 per cent. to 40 per cent., and in my opinion, will show further increases. All raw materials have greatly increased."

Another witness was Prof. Thomas Conway, Jr., public utility expert of the Wharton School of Finance, who said in his testimony:—

The more rapid growth in operating expenses than in operating revenue should be noted, as should the remarkable increase in taxes.

As a result of these increases the net income has tremendously decreased, although the amount of capital invested has been largely increased and the total number of passengers carried in these ten years has jumped from 418,622,000 to 643,427,000, or an increase of 53.7 per cent.

Even with the practical elimination of jitney competition net corporate income was less in 1916 than in 1914. The results for the year ended June 30, 1917, as shown by the figures for the first six months indicate an even more unfavorable showing.

Twenty-one of the twenty-eight companies asking for increased fares showed on June 30, 1916 (the latest complete annual reports on file with the Commission), smaller net transportation revenues than in 1912. With more than one-half of the companies its decrease is greater than 50 per cent.

The fundamental difficulty is not so much a decrease of operating revenues as it is the steady and material increase in the cost of operation which has gone on over a period of years and which now promises an even more rapid increase due to the war.

Professor Conway also brought out the fact that the "operating ratio" of practically all of the twenty-eight petitioning companies has shown a marked increase since 1914. On street railways the operating ratio of a company is considered an index of its prosperity. As the operating ratio rises prosperity falls. The ratio represents the number of cents out of each dollar received in fares that it takes to pay operating expenses, taxes, and rentals.

The income of five companies, namely, the Northport Traction Company, the Corning and Painted Post Street Railway, the Hudson River and Eastern Traction Company, the Huntington Railroad Company, and the Westchester Street Railroad Company, in 1916, was not sufficient to pay their operating expenses. Four other companies showed an operating ratio of more than 90.

The street railways attribute their financial straits to the fare being fixed while costs are higher and higher. They have no way to meet the increased costs except by greater revenue per passenger.

TORONTO RAILWAY.

The arbitrators are finishing up their report, and it is expected that it will be in favor of the men. The men ask 40c an hour, and the company offered 32c. The award will probably be somewhere around 36c. It is believed that the arbitrators have been able to settle most of the other points under dispute. It is not at all certain that the men will accept the recommendation of the arbitrators. It is pretty generally known that the Committee appointed by the employees did all they could to avert the strike. The employees, however, could not be held back. It is possible that the same thing may happen again, although, once the climax has been reached, and the men have gone through the experience of a strike, it is hardly likely they would take such drastic action again. The public sympathy would probably be on the side of the Company, if the employees refused to accept the recommendations of the arbitrators.

THE POST asked General Manager Fleming this week if the Company were working on any plans with regard to renewal of the franchise. Mr. Fleming stated he did not expect they would have any plans to submit to the city. He believed the citizens were determined to take over the franchise in 1921, and, while he did not believe they could run it as well as it is being run at the present time, still they would have an opportunity to try it.

B. C. ELECTRIC.

For the twelve months ending with June the net earnings of the British Columbia Electric Railway Company, as based upon monthly statements, amount to $1,063,375 as compared with $853,782 for the corresponding twelve months of 1915-16, an increase of $209,593. These increases were made during the first eleven months of the company's fiscal year, as June showed a substantial decrease of $35,154, which was due to a strike of the employes, which commenced on the 13th and lasted until the 21st of that month. The demand was for increased wages, and the company met the wishes of the men on the last-mentioned date pending an investigation by Prof. Adam Shortt. It is understood that the annual report and accounts of the company will not be available for several months yet. Net earnings for the twelve months compared with those of the previous year are as follows:—

	1915	1916	Incr.
July	$36,842	$63,200	$36,358
August	19,734	74,134	54,400
Sept.	39,816	63,051	23,235
October	58,775	93,418	34,643
Nov.	84,139	109,537	25,398
Dec.	125,538	136,366	10,828
	1916	1917	Incr.
January	114,022	130,470	16,457
February	96,522	101,680	5,158
March	91,298	100,448	9,150
April	77,867	97,088	19,221
May	62,830	72,729	9,890
June	56,399	21,245	*35,154
	$853,782	$1,063,375	$209,593

*Decrease.

One of the terms of the settlement of the B.C. Electric strike in Vancouver was that a commission should be appointed to look into the whole transportation system on the coast, the B.C. Electric owning the systems in Vancouver, Victoria, North Vancouver and New Westminster. As a result Dr. Adam Shortt has been conducting an enquiry under the direction of the provincial government. During the sittings of the commission, it has developed that, while the company has been operating its transportation systems at a loss owing largely to the running of the jitneys, the revenues of the company have been largely helped by the light and power departments.

At one of this week's sessions General Manager Kidd of the Railway remarked that one year's losses on the Vancouver city lines amounted to $199,606; Vancouver-Central Park-New Westminster, $101,095; Lulu Island lines, $98,382; Vancouver-Burnaby Lake-New Westminster, $16,302; Fraser Valley, $19,759; North Vancouver, $31,664; and $27,894 on the South Vancouver lines. The total loss on the operation of these lines for the year ending June 30, 1916, amounted to $582,316. With the net profits from the light, power and gas departments on the lower mainland the profits for the year were $537,801 which with the Vancouver Island system brought the total up to about $830,000 which Mr. Kidd claimed would make a small dividend on an investment of $47,232,279.

It was shown during the proceedings that the railway had paid a sum of $501,317 into the city coffers during the past five years. Of this amount $305,590 was for the city's percentage of traffic receipts.

WINNIPEG ELECTRIC.

On account of the jitney competition which is taking over $1,000,000 a year from street railway fares, the street railway company has asked the city to prohibit the use of jitneys in Winnipeg. The company intimates that it may be forced to suspend operations unless a remedy is secured. Over 1,000 jitneys are doing a flourishing business here with the street railway company's traffic steadily declining.

There have been no transactions in the shares of Winnipeg Electric this week, the last sale on Friday of last week being at 40.

DULUTH-SUPERIOR.

For the second week in August the gross earnings of the Duluth-Superior

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

CAPITAL, - - $ 6,500,000
RESERVE, - - 12,000,000
TOTAL ASSETS, - 115,000,000

HEAD OFFICE, HALIFAX

BOARD OF DIRECTORS:

John Y. Payzant, President; Charles Archibald, Vice-President
G. S. Campbell; S. J. Moore; W. W. White, M.D.
Hector McInnes; J. Walter Allison; W. D. Ross.
James Manchester; Hon. N. Curry; Hon. M. C. Grant

GENERAL MANAGER'S OFFICE, TORONTO

H. A. Richardson, General Manager. J. A. McLeod, Asst. General Manager.

A general banking business transacted. Letters of Credit issued, drafts bought and sold, payable in all parts of the world. Savings Deposits opened by deposit of $1 or over, interest added half yearly.

UNION BANK OF CANADA

Dividend No. 122

NOTICE is hereby given that a Dividend at the rate of eight per cent. per annum, upon the Paid-up Capital Stock of the UNION BANK OF CANADA, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its Branches, on and after Saturday, the 1st day of September, 1917, to Shareholders of record at the close of business on the 16th day of August, 1917.

The Transfer Books will be closed from the 17th to the 31st day of August, 1917, both days inclusive.

By Order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, July 17th, 1917.

NEWS OF SECURITIES

Continued from page 3

Traction Company amounted to $30,783 as compared with $30,604 for the corresponding period in 1916, an increase of $178, or .6 per cent. For the first two weeks of August the earnings were $63,154, an increase of $3,985 or 6.7 per cent. over the same period a year ago, while for the year to date they amounted to $960,690 compared with $830,694, an increase of $129,996 or 15.6 per cent. Following are comparative figures:—

	1917	1916	Incr.	%
1st week ..	$32,371	$28,564	$3,806	13.3
2nd week ..	30,783	30,604	178	.6
Mon. to dte.	$63,154	$59,169	$3,985	6.7

BRAZILIAN.

Earnings of Brazilian Traction continue to improve, but on account of the lack of improvement in Brazilian exchange it is extremely doubtful whether a dividend will be declared at the next meeting which will be held on September 1. Exchange rates are enormous and as all earnings in Brazilian must be exchanged to our currency, the street does not consider it likely that a dividend will be paid. The last dividend of 1% was paid on March 1, and one dividend has already been passed. There has been some talk of declaring the next dividend, but the general opinion is that it will be passed. Recent sales are around 39½ to 40½.

PORTO RICO.

The Porto Rico Railways Company, report gross earnings for the month of July amounting to $77,905 compared with $70,524 for the same month in 1916, an increase of $7,380, while net earnings were $37,845, an increase of $974 or 2.65 per cent. For the first seven months of the current year gross amounted to $522,885 against $502,496 for the corresponding period a year ago, an increase of $20,389 or 4.06 per cent. Net amounted to $234,-901, a decrease of $25,395 or 9.75 per cent. Following are comparative figures:

July.	1916.	1917.	Incr.	%
Gross. ...	$70,524	$77,905	$7,380	10.46
Net	36,870	37,845	974	2.65
Seven Months:				
Gross	$502,496	$522,885	$20,389	4.06
Net	260,397	234,901	*25,395	9.75

*Decrease.

MILLING

Various Influences at Work Which Tend to Unsettle the Situation and Trading Continues Very Light.

By J. L. RUTLEDGE,
Editor Canadian Grocer.

The milling situation continues in a very unsettled state, which has resulted in light trading. Reports of a 200,000,000 bushel wheat yield from the West are fairly encouraging, while the advent of New Ontario grain on the market, has had a slight effect on the market price, there being a fairly substantial decline in the price of Ontario wheat flour. Despite this fact buyings have been very light. The uncertainty as to what action Mr. Hanna will take in connection with setting a standard for flour is having a decidedly deterrent effect on all purchases other than for immediate needs. The situation has been still further complicated by the Order in Council of last Saturday prohibiting the export of flour made from old wheat. This has cut off a business that had reached sizable proportions since the tariff barrier was removed. This embargo however applies only to flour and there is a fairly heavy stream of mill feed stock finding its way across the border to take advantage of the fancy prices prevailing on that side.

There has been no change in the price of corn products though there has been a decline in the price of corn due to the expected large yield and the curtailment of the use of corn for the making of liquor. This will unquestionably have its effect in the near future.

LAKE OF THE WOODS.

The annual meeting of the Lake of the Woods Milling Company has been set for October 3, to receive the report for the year ending August 31. There is considerable interest in what will be revealed by this report as this will be the first indication of what the big milling concerns have been doing in the way of profits during the past year. That these will be very large and constitute a new high record is the information that comes to FINANCIAL POST. During the earlier part of the year this company, in common with others, had a good stock of flour on hand, and with the rapid rise of wheat and the close following up of the flour markets it may be presumed that big profits were made on a considerable portion of this. Not on the larger part, however. To quote an official of the company in a statement to FINANCIAL POST: "Most of the big bakers have contracts with the mills, ranging from six months to a year, and on some of the flour that we have delivered during the year that is just closing we received as much as five dollars a barrel less than what we could have sold it for in the open market at the time of delivery. But we were bound of course by the contract we had made months before, on which we made a profit but not nearly as much as if there had been no contract. On all the flour we are selling now we will not make long term contracts, as we do not know how we would come out on market prices. All the bakers will have to be satisfied with contracts for a month or so."

The regular quarterly dividend of 1¾ per cent. on the preferred and 2 per cent. on the common was declared this week.

OGILVIE FLOUR.

Sales were light in the stock of the Ogilvie Milling Company, but what sales were recorded evidenced a good feeling. The range for the common during the week was from 140 to 150. The latter figure representing the advance over the previous week's trading. This latter figure is an advance of six points over the last recorded sale, and represents the high figure for the year, there having been only one transaction during the present year when this figure was reached.

The preferred also showed a good feeling with an advance of ¼ point to 112¼, though the sales were very light.

MAPLE LEAF.

Transactions during the week in the stock of the Maple Leaf Milling Company stock were also on the light side and showed a deline of two points over the last week's record. The opening sales of the week were made at 102 but on Wednesday under only average selling there was a sharp decline to 100. In the preferred the same feeling prevailed. there being a decline of from 93 to 92⅛.

SHREDDED WHEAT.

This stock showed no activity during the week. The last sale being 131 for the common and 95 for the preferred.

TRANSPORTATION

Stronger Opposition is Developing to the Canadian Northern Purchase Proposals.

That the Government's policy with regard to the purchase of the Canadian Northern Railway System is not to be accepted without the overcoming of a good deal of opposition becomes increasingly apparent. Not only are the opponents of Government ownership displeased with the proposition, but those who are strongest in their advocacy of this form of ownership are finding serious objection to the method of purchase. Between the two the Government's position is not the happiest one. It would appear to be the intention, however, to force the issue through.

The main item in the supplementary estimates presented to the House this week was $25,000,000 for rolling stock for the Canadian Government Railways. This will probably include further equipment for the Canadian Northern Railway. The shortage of cars is one of the present difficulties in Canada and, if the government can succeed in securing a supply, it will mean early relief to the situation.

MONTHLY GROSS EARNINGS OF CANADIAN RAILWAYS

(Canadian Pacific, Canadian Northern and Grand Trunk Railways)

MONTHLY AVERAGE 1913=100%

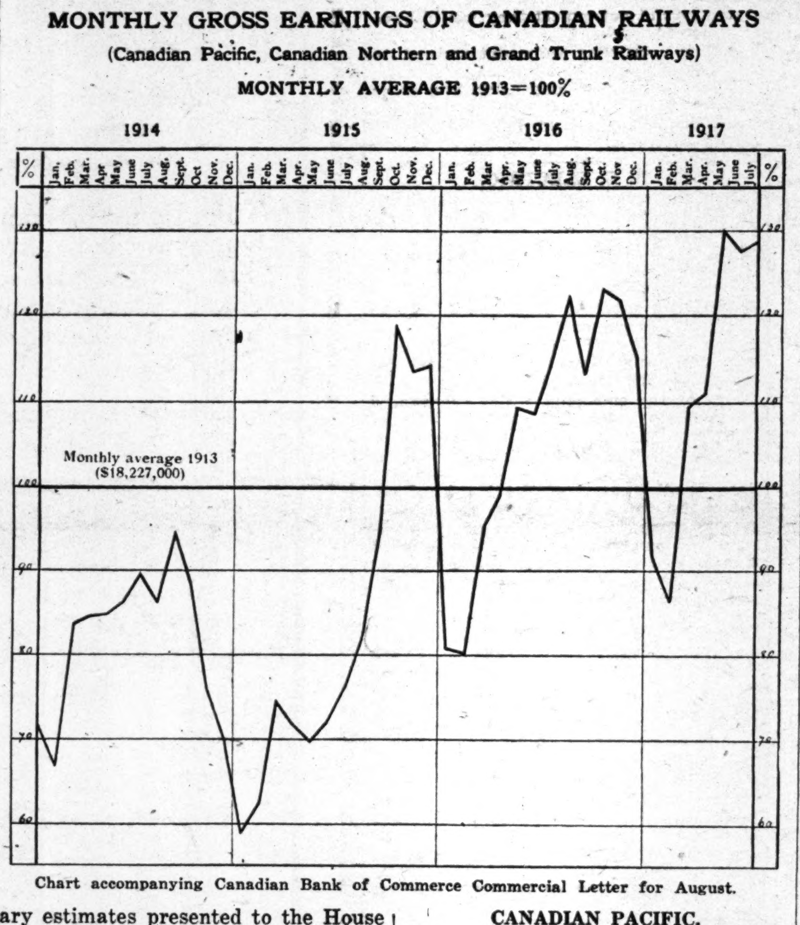

Chart accompanying Canadian Bank of Commerce Commercial Letter for August.

American railroads continue to report increases in gross earnings. For the first week of August, twenty roads reported to the Wall Street Journal earnings of $9,330,763, an increase of $1,038,763 or 12.52%, over the corresponding week of last year. This increase in percentage compares with an increase of 10.19% in 1916 and with a decrease of 2.75% in 1915.

An interesting chart accompanies the current issue of the Canadian Bank of Commerce Monthly Commercial Letter. It exhibits in a graphic way the extraordinary growth in the gross earnings of the three principal Canadian railways for the years 1914-1916 inclusive and 1917 to the end of July. It is pointed out in the Letter that for the first six months of the current year gross earnings amounted to $143,764,922 or 64% more than during the corresponding period of 1915 following the outbreak of war.

The Financier of August 7, to hand this week, reports a substantial improvement in Grand Trunk and Canadian Northern securities following the announcement of the acquisition of the Canadian Northern system by the Government. On the assumption that the latter company's prior charge obligations would become liabilities of the Government, there was a very important improvement in price, ranging from 8 to 10 points in the values of the prior charges and from six to eleven points in the income bonds.

Commenting on the railway situation in Canada, the Financier says:

"As we all along foreshadowed would be the case, the Canadian Government has rejected the absurd recommendations of the Canadian Railway Commission, and has decided to pursue an independent course in the matter of railway policy. A majority of the commissioners, it may be remembered, proposed that all the Canadian railways, with the exception of the Canadian Pacific, should be taken over by the Government, and that the Grand Trunk system should be acquired on terms which were virtually equivalent to spoliation. The Minister of Finance, however, has not accepted this advice, at least in toto. He proposes, indeed, to take over the Canadian Northern at once and to advance money to the Grand Trunk Pacific, with a view to its eventual acquisition. But he also proposes to allow the old Grand Trunk system to retain its independence and remain undisturbed. There can be no question that the defence put up both by the president and by the chairman of that company powerfully impressed Canadian public opinion, and that the injustice of the Railway Commissioners' strictures was generally recognized. Cabled advices from the Dominion indicate that Sir Thomas White's speech in introducing the Government's proposals has considerably cleared the air and counteracted the bad effects of the Drayton report, which, if it had been acted upon, would have seriously affected Canadian credit abroad. The Canadian Government has now shown that it means to treat the railways with justice and liberality. The Minister's sympathetic references to the Grand Trunk Company, we understand, have met with approval on all sides. Briefly, the Government's plan is to acquire the remaining 60,000,000 dollars of the stock of the Canadian Northern, in addition to the 40,000,000 dollars of stock already held, thus securing complete control of the entire system. At the same time it proposes to advance 7,500,000 dollars at 6 per cent. to the Grand Trunk Pacific and to take control of the directorate, with a view to the ultimate acquisition of the system as public property. The scheme is welcomed by all concerned and is especially gratifying to the stockholders of the Grand Trunk Company, whose fears of expropriation on an inequitable basis have now been dissipated.

CANADIAN PACIFIC.

The Canadian Pacific Railway Company reports gross earnings for the second week in August amounting to $2,746,000 compared with $2,943,000 for the corresponding period in 1916, a decrease of $197,000 or 6.7 per cent. As compared with the figures for the previous week there is an increase of $187,000, and a decrease of $121,000 compared with the figures for the second week in July. Comparative figures follow:

	1917	1916	Inc.	%
July 7..	$3,101,000	$2,616,000	$485,000	18.5
July 14..	2,867,000	2,738,000	129,000	4.7
July 21..	2,950,000	2,641,000	309,000	11.7
July 31..	4,007,000	3,800,000	207,000	5.4
To. July.	$12,925,000	$11,795,000	$1,130,000	9.5
Aug. 7..	2,559,000	2,985,000	*426,000	14.3
Aug. 14..	2,746,000	2,943,000	*197,000	6.7

GRAND TRUNK.

Gross earnings of the Grand Trunk Railway for the week ending August 14, show an increase over the corresponding period in 1916, of $83,764 or 6.8 per cent. the figures being $1,320,753 compared with $1,236,989 a year ago. As compared with the earnings for the previous week there is a gain of $47. For July and for the two first weeks in August the earnings are as follows:

	1917	1916	Inc.	%
July 7..	$1,297,003	$1,155,029	$141,974	12.3
July 14..	1,379,293	1,211,393	167,900	13.8
July 21..	1,358,019	1,140,226	217,799	19.1
July 31..	1,967,465	1,819,713	156,752	8.6
To. July.	$6,001,780	$5,317,361	$684,419	12.8
Aug. 7..	1,320,706	1,256,376	64,330	5.1
Aug. 14..	1,320,753	1,236,989	83,764	6.8

The Grand Trunk Pacific Railway reports gross earnings for the week ending July 31, amounting to £31,179 as compared with £27,030 for the corresponding period in 1916, an increase of £4,149, while for the month of July the earnings aggregated £100,612 against £75,031, for July a year ago, an increase of £25,581.

The Financial World of New York, makes the following comment in its last issue:—"Canadian Pacific shares, which on several occasions showed signs of slipping down on account of the Government ownership agitation in Canada, are now holding well and the scare has passed. There has been a great scarcity of labor in the Dominion this year and on account of the bumper crop of wheat of 300,000,000 bushels, a considerable loss from sheer physical inability to harvest it all, has been feared. That danger has been obviated by an arrangement between the United States and Canada, whereby the immigration laws will be suspended and 20,000 of our harvest hands sent over into Canada after our harvest of wheat shall have been gathered. The Canadian crop is later than ours, so the arrangement will fit very nicely. The Canadian Pacific is said to have done marvels in getting along with a depleted force and many hundreds of women are now employed at various places where men were employed before."

It is reported from New York that a large short interest has been built up in C.P.R. on the theory that the railroad will have to be taken over before the war ends, by the British Government because of its enormous assets and equities, which will be needed to pay the war bill.

At the committee meeting of the St. John common council, F. R. Taylor, K.C., presented a protest of the C.P.R. against the valuation put upon their property by the city assessors for patriotic purposes. The assessors valued the C.P.R. property at $6,500,000. He placed the total valuation at $1,600,270. The new elevator at $600,000 with contents; old elevators at $47,000 and $26,000, contents at $75,000 their lands in the city limits they valued at $10,000 per acre and 35 acres under water at $5,000 per acre; the main line tracks they valued at $10,-000 per mile and sidings at $5,000 per mile.

PACIFIC GREAT EASTERN.

An audit of the books of P. Welch, P.G.E. contractor, undertaken for the purpose of showing the exact disposition of the sixteen million dollars received in connection with contracts for the construction of the line has been completed by Marwick, Mitchell, Peat & Co., chartered accountants of Vancouver, retained by Mr. Welch for this task.

Briefly, the auditors find that the position of P. Welch is as follows: That he received from the P.G.E. $16,422,262.42 for work which cost him $13,690,394.90. On this showing he made a profit of nearly $3,000,000 and he received an additional profit from stores and other sources of $1,081,255.08. The auditors then find that all of this gross profit of slightly under $4,000,000 was re-invested in various ways including equipment, development company purchases, etc., with the exception of $409,000 which now remains on deposit in the Union Bank and which is available to the government, if and when the latter takes over the uncompleted P. G. E. line.

The auditors say that Mr. Welch thus re-invested his profits made out of actual construction and also put into the latter $149,409.45 of his own money. They find, briefly, that P. Welch is approximately $150,000 poorer to-day than when he started the work on the P. G. E.

The auditors report that all the money received from the government through the P. G. E. is accounted for in the books as expended in construction, purchase of equipment, etc. They find that none of the money guaranteed by the Provincial Government and the people was used by P. Welch in gifts to politicians.

CANADIAN NORTHERN.

The purchase measure moves slowly on its legislative way through the House of Commons, considerable opposition developing not only in the press and country but in Parliament itself. A few minor amendments have been made to the bill. Sir Thomas White announced that a limit of $25,000,000 would be put to the sum to be paid to defray short term loans and operation expenses, until Parliament should authorize further sums. A second amendment provides that should the arbitrators consider the reproduction cost of the railway in estimating the value of the stock, only pre-war prices of labor and material should be taken into account. Sir Thomas suggested a third minor amendment, the purport of which is that the price of the stock shall be paid in cash out of the consolidated revenue fund, and not by the issue of securities.

Canadian Northern Railway has sold to Wm. A. Read & Co. $10,000,000 one-year 6 per cent. notes, which are being offered at 99.05, or on a 7 per cent. basis. These notes are secured by $15,333,000 Canadian Northern general mortgage 4 per cent. bonds, guaranteed principal and interest by the Dominion of Canada. The notes are convertible into the bonds at 79.

CANADA STEAMSHIPS.

An interesting interview with an official of the Canada Steamship Lines appears elsewhere in this issue. It shows that the company has enjoyed a most gratifying increase in freight business this season. Shareholders and other readers of THE POST interested in this security should look up this special article.

Shares of the company have been in considerable demand this week. They are popular with the public and the brokers and, in view of dividend prospects, are attractive. The common advanced from 42½ to a high of 45⅝, closing Thursday at 43⅝, while the preferred touched 79½ on Wednesday and closed on Thursday at 79.

LIGHT AND POWER

While Earnings Are Big Under Wartime Conditions, Prospects After Peace is Declared Are Excellent.

The market for the securities of light and power companies this week has been practically featureless. There has been light trading in a few of the more popular issues but price changes have been negligible.

A New York broker, Howard F. McConnell, who specializes in public utility securities, points out in a recent market letter that, while there is now a slowing down of gains in net revenues with many companies, owing to the higher cost of labor, fuel and maintenance materials, yet these same companies are reporting, as a rule, materially larger net revenues than in 1915. There has been no falling off in gross business at any time, electric light and power companies reporting the largest demands in their history for their service. And such economies are now being practised as to overcome considerable of the increased costs.

"The war has given the electric generating and distributing companies the greatest business in their history," writes Mr. McConnell, "and has afforded them an opportunity to demonstrate the great value of central station power for industrial use. In the last two years the use of central station electrical energy in iron and steel manufacture and in other lines of industry has made wonderful strides, and as a result the electric generating companies of the country in 1916 added more than 2,000,000 kilowatts of generating capacity, and will add as much more this year, with large orders for generating equipment placed which cannot be filled until some time in 1918. While faring quite well in war times, public utilities are essentially peace corporations, and the dawn of peace will be welcomed nowhere more heartily than in the public utility field. What little business the companies may lose by the reduction in war manufacturing they will more than make up from the quickening of the peace industries. The electrical generating and distributing companies could at once replace all the energy sales they would lose by reason of a slackening in war industries by attaching to their lines other industries, which are only waiting increase in generating capacity by the companies to substitute central station energy for that of their boiler plants. At the same time, while not reducing business of the companies, peace would result in a lowering of operating costs.

"To my mind, the most bullish argument on the utility stocks would be peace, and I firmly believe that there are right now, more and better investment bargains to be obtained in public utility securities, either bonds, notes or preferred stocks, than in any other class of investments. These companies have more than held their own during the war and will do much better when the war is over and peace has once more come with a consequent return to more normal operating and financing conditions."

CIVIC INVESTMENT.

Civic Investment, which sold down to a low of 74 last week, rallied to 75 in the forepart of the week, but on Thursday fell back again to 74. Civic as an investment is regarded in two different lights in Montreal. One is that the decline from the 80's is an entirely natural response to the high yield offered by Government bonds. At 75 the yield on Civic is about a parity with the yield on Dominion war loans.

The other view admits immediate disadvantage to Civic in that respect, but claims ultimate advantage in the speculative possibilities of a stock with a long record of increased dividends behind it and probably a long record of increased dividends ahead of it, as against the fixed return of a bond.

According to the view that has carried more weight, there has been shifting out of Civic into bonds and quite as probably some shifting out of bonds into Civic. Certainly the investment demand for the stock has been substantial, while speculation has been dormant for many a month. A good many minds go to the making up of a market, and a similar conflict of opinion is general in investment business to-day.

CONSUMERS' GAS.

Sales of Gas stock are extremely rare nowadays. This week a few shares changed hands at 150 to 150½. The company's year ends September 30, and it will be interesting to learn what effect the higher price of coal has had on earnings. There can be no doubt that costs have been considerably increased, but it is possible that these have been offset by the enforcement of meter rentals and an extension of the service.

PULP AND PAPER

Transactions Continue at a Minimum, With Prices a Shade Easier Towards the Close.

By W. A. CRAICK.

There is still an almost entire lack of movement in the market for paper securities and the record for this week is one of very limited sales, at prices that show a tendency to ease off slightly. Spanish River was the only stock to evince any great show of life and it sold up a little higher in the forepart of the week but dropped off a point or two towards the close.

An interesting estimate of the outlook for the export of Canadian pulp and paper to the United States is given in an interview with the sales manager of a large Canadian paper company, which appears as a special article elsewhere in this issue. Various reasons are given for the view that the increasing participation of the United States in the war will involve a much larger consumption of paper, with an increase in the demand for the Canadian product.

There also appears elsewhere in this issue a resume of the finding of the Federal Trade Commission, following its investigation of the book paper industry.

A statement showing the effect on the newsprint supply, of economies being practised by newspaper publishers in the United States, has been prepared by A. G. McIntyre, paper expert of the American Newspaper Publishers' Association. Mr. McIntyre estimates that, through stoppage of waste, reduction in size and reduced circulations, consumption of newsprint has been reduced by 1,600 tons per day. Five hundred tons have been saved by cutting down free copies and exchanges and eliminating press room waste. These economies, however, have been secured at a distinct cost in impaired efficiency, while even with this saving there is an estimated loss of $10,000,000 in operation. Papers which raised their price from one to two cents a copy are reported to be still losing money.

By suspending publication on Labor Day, New York evening newspapers will, it is estimated, save between 250 and 300 tons of newsprint. It is expected that afternoon papers all over the United States and Canada will follow the example of the New York dailies.

LAURENTIDE.

After remaining dormant for over a week, a sale of a small lot of Laurentide was put through on the Montreal Exchange on Wednesday. Five shares sold at 172, which was a point and a half under the previous sale. The annual statement of Laurentide will be out very soon, and it is freely predicted that it will be a particularly pleasing one to the shareholders. Profits have been very large. Tips have been going around that Laurentire stock is an excellent buy at the present price.

RIORDON.

There is little activity to be noted these days in Riordon, though the price is again giving signs of strengthening. Last week after advancing to 122, quotations fell off to 120¾. This week the price has again been marked up to 121½.

SPANISH RIVER.

The rally in Spanish River which occurred last week and which advanced the price of the common shares to 15½ was continued on Monday, when the stock was marked up to 19. It failed, however, to hold all the gain and by Wednesday sold down to 17. The preferred on the other hand moved up from a low of 47 last week to 53½ this week and held the gain. It is not now thought that the company, despite the fact that a favorable report for the year ended June 30th last is likely to be forthcoming, will make a payment of 7 per cent., as has been hinted, on the back dividends on the preferred stock. If such a payment should materialize it would reduce the amount owing on the preferred stock to 21 per cent. The last payment on the preferred was made on July 15, 1913, so that there is now owing 28 per cent. The Spanish River Mills have the largest newsprint capacity of any company in Canada.

BROMPTON PULP.

There is a marked contrast between the extent to which this stock was traded in a few months ago and the present lack of activity. August sales have been exceedingly small and the price has moved within the narrow limits of a single point. This week it opened at 46, sold up to 47 and then dropped back to 46.

NORTH AMERICAN.

After being dormant for two weeks, several sales of North American Paper were recorded this week. These were all put through at from 4 to 4⅛.

CANADA FOUNDRIES & FORGINGS.

The excitement of the previous two weeks in "Forgings" has wholly disappeared, an odd lot of stock at 170 being about the extent of the trading in recent days. If there is anything behind the big jump in market value of the shares which has taken place, those responsible are keeping their counsel tight; all the same, there is a growing disposition to believe that interests in close touch with the market took advantage of the latter being bare of stock to boost its value to a level deemed by them more commensurate with its returns. Plant activities are such as to ensure maintenance for the immediate future, at least, of substantial output at satisfactory prices.

PORT ARTHUR PULP.

Rapid progress is being made in the erection by the Port Arthur Pulp and Paper Co. of the new pulp mill at Port Arthur, according to the report of U.S. Consul Edward H. Dow, Fort William. Although it was found after the site had been received free from the city, that the company was without a timber limit to supply the mill, it proceeded to obtain options on various small tracts in the vicinity, and is now completing the first unit of the mill. It is stated that the authorized capital is $3,000,000, of which one-third is preferred stock. $1,-000,000 common stock, and $1,000,000 in bonds.

As the present unit will be one of three to be built, the walls at points of future intersection are left "toothed-out," with bonded steel hanging for convenience in later construction. The 60-ton daily capacity of the first unit will require 120 cords of wood.

The electric power will be 700 kilowatts, and for steam power there will be three 365-horsepower vertical water-tube boilers equipped with automatic stokers and furnaces. The digesters are 16 feet in diameter and 52 feet in height. Each shell holds 17 cords of chipped wood, the shells being the product of an American concern. The pulp will be finished on the latest type of wet machines.

The first unit requires 1,250,000 bricks, furnished by the Superior Brick and Tile Works, and the Gowanlock Brick Works, both of Port Arthur. Construction also requires 8,000 barrels of cement, and 30 tons of reinforcing steel. The sand is furnished by the Marshall Co., of Port Arthur, and the gravel by the Thunder Bay Towing and Wrecking Co., of the same city. The foundations are built by the J. F. Hewitson Co., of Port Arthur, and the city is supplying the mill with a 12-inch main pipe to furnish 2,000,000 gallons of water daily. Labor is all local, being paid at the rate of 32½ cents per hour.

The pulp wood will be stripped at the mill with a "barking drum," after which the product is ready for the digesters. The digester tower will be 100 feet high, and the smokestack will have a diameter of 11 feet and a height of 150 feet. The first unit will consume each month 250 tons of sulphur, the same quantity of limestone, and 1,200 tons of coal. The mill will have its own supply dock close by, on the Port Arthur Harbor, a part of Lake Superior.

The price to be paid farmers for the wood was agreed upon in 1916, and is $8 per cord. These producers may deliver in as small quantities as half-cord loads, receiving cash at the mill. The feature of the industry will be of advantage to the district, enabling farmers to clear their lands of timber, with fair profits

for the wood, during the winter months when labor is available.

HOWARD E. SMITH PAPER MILLS.

Work in changing over the Crabtree mill from newsprint to high-grade writing is progressing satisfactorily and the company expect that the mill will be in operation by the first of the year. This will double the present capacity of the company, as the Beauharnois plant has an equal output.

While there has been a slight lull during the summer period the mill is still far behind with its deliveries and has orders on hand that will keep it working to capacity for months. An official speaking to FINANCIAL POST stated that there was no expectation that the heavy orders that distinguished the past year would drop off to any extent. "Indeed, we look for even greater volume of business for there are indications that the United States mills that send over to Canada will have more domestic business than they can handle and thus some of our competition will be removed. Besides this the jobbers are not heavily stocked and are coming to believe us when we are telling them that prices are likely to go still higher. Before they thought that we were bluffing, now they know we were'nt.

"There is one danger point: it is reported that the United States have decided to prohibit the export of sulphur to Canada, and as we are dependent on them for a large portion of our supply for the pulp mills the makers here are planning to take some action to prevent this."

OTHER STOCKS

Some Firmness Evidenced by Canadian Stock Markets This Week, Though Trading Still Light.

There was a little bulge in Canadian stocks, principally Iron and Steamships, in the forepart of the week and on the whole markets have evinced some strength. Even in face of the weakness which developed in the New York market on Wednesday and continued throughout Thursday, domestic issues remained practically unshaken. Once the price fixing question is definitely settled in the United States, there should be general improvement and the Canadian markets are ready for any such developments. The New York weakness, of course, has been attributed almost entirely to the effect of the price-fixing of coal at two dollars. This figure was regarded as alarmingly low and the fear arose that the prices of other commodities might be adjusted on a correspondingly low basis. However, apprehension was somewhat allayed when the basis of adjustment became known and it became evident that a fair margin of profit would be allowed. Apart from the activity in Iron and Steamships, both the Montreal and Toronto exchanges experienced a very quiet week.

Yesterday the Canadian markets gave evidence of renewed strength, iron selling up in the morning to 67.

B. C. PACKERS.

A good deal of interest is being taken by the fish canning trade in the meat and canned foods Act now under consideration by the Senate. The proposal to permit the standard cans to contain less than the recognized amount is of vital importance to the industry. The present draft of the bill provides for the 1 pound cans to contain not less than 14 ounces of meat the ¾ pound can not less than 10½ ounces. The matter of the labelling of cans is also causing a good deal of interest. It is urged by the canning interests that certain export demand calls for unlabeled cans, and that to compel labeling would place the Canadian canner at a disadvantage. The decision of the Senate on these points will be of great moment to the industry.

The British Columbia packers stock showed some slight activity this week a few sales being recorded at 43½ half a point off the last selling price.

Readers interested in the operations of the B. C. Packers' Association will find, elsewhere in this issue, an article dealing with this year's salmon run. The quantity of fish coming up the Fraser has been disappointingly small and prices have ruled abnormally high. The article referred to contains reasons for the unusual smallness of the run.

CANADIAN GENERAL ELECTRIC.

Senator Nicholls stated to a representative of THE POST this week that, while they were finishing up on shell orders, they were going more extensively into the manufacture of engines and boilers for ships. He did not anticipate any lull in business, as far as the Canadian General Electric was concerned, and he thought they would be able to keep plants working to full capacity.

CITY DAIRY.

The stock of the City Dairy Co. remains inactive, with common at 30, and the preferred at 60. Profits last year were $83,000 lower than the previous year. After making provision for depreciation, the profit last year was $18,000. Conditions remain much the same this year. Producers are now being paid a higher price for milk than ever before. The public refuse to pay more for their milk, and in addition to this, labor is scarce and very expensive. Taking all these things into consideration, it is extremely doubtful whether a better showing will be made this year over last year.

CANADA BREAD.

Canada Bread is extremely inactive, less than 1,000 shares of common have been sold this year. The common is now quoted at 15. The highest so far this year has been 17, while the highest last year was 26.

CANADA LOCOMOTIVE

The company have more business in sight for the future than ever before. Earnings have improved considerably over last year, due to efficient management. The next meeting of shareholders will be held on Sept. 20, and an attempt will be made by comparative outsiders to get control by proxies, and the temporary holding of stock. That they will not succeed in their endeavor is the impression that is generally growing. This industry has had a rather rough passage, but has now reached the place where the outlook is particularly bright. A change in control would have a disquieting effect on the present management, and would have a tendency to retard progress. The next dividend will be paid on Sept. 30, to shareholders of record on Sept 10.

DOMINION CANNERS.

The season to the present has not proved as satisfactory as the early promise. Prices of the goods packed were uniformly high, and the quantity available considerably below expectations. Peas that were expected to show a good pack were quite a disappointment. R. L. Innes of the company when spoken to by the FINANCIAL POST, stated that the pack of peas was only 40 per cent. of the normal, of strawberries 75 per cent. and of raspberries 40 per cent. Whether the company can report a successful year or not will largely depend on future conditions, and mainly on the pack of tomatoes and corn, which are the two largest elements. Present indications are corn crop in Canada will be light. There is a very large crop across the line, but the high duty makes it doubtful whether it could be packed to advantage. The prospects for other lines are fairly satisfactory.

When spoken to regarding the probable effect of Mr. Hanna's proposed prohibition of the sale of canned goods, on the activities of his company Mr. Innes stated that he could not foretell. It would depend upon the effect that such a restriction has upon the retailer. If the retailer refused to receive the goods contracted for till the expiration of the embargo, as they very well might do, under the impression that the restrictions would have a tendency to lower prices, it would put the Dominion Canners in a serious situation. Not only would they have to finance the whole pack until such time as the embargo was lifted, but they would have to store the goods as well and as they were not provided with storage room for handling the output, it would cause difficulties that it would be difficult to meet.

DOMINION BRIDGE.

There has been a fairly lively movement of Dominion Bridge this week, no doubt due to the favorable reports that have been spread as to the state of preparations for the completion of the span of the Quebec bridge at Sillery Cove, and the floating of it up to complete the great structure. In speaking to FINANCIAL POST in reference to the plans of the company, Phelps Johnson, president and managing director, stated that so far as could be known now, the ceremony would take place about Sept. 15. There have been serious delays due to the intense electrical storms that have struck the district in the past few weeks. "Other than this, everything is going on satisfactorily. A few days ago some twenty of our men went on strike for being docked for quitting work too soon, but most of these have come back."

RUSSELL MOTOR CO.

This company expects to finish up present order on eight and nine-inch shells about the middle of September. It is doubtful as to whether they will get a new order for shells. Still, they have one of the largest munition plants in Canada, and as certain sizes of shells are needed, it is possible they may get a new order for some other size.

They cannot state just how long they will continue on the fuse orders. There are not a great many firms engaged in the manufacture of fuses, and it is possible that this business may be continued, and that orders will be forthcoming after the shell making business has been closed out. They have been working three shifts a day, but it is expected that this will be reduced to two shifts at once. This will release a number of hands.

Some months ago we announced that this company had engaged efficiency experts with a view to cutting down cost. We understand the results have been very satisfactory.

Annual meeting will be held in October. The dividend has not yet been discussed. It will no doubt receive the attention of directors before that time.

FUTURE OF THE BLACK FOX INDUSTRY

May Be Successful if Placed on a Legitimate Livestock Basis and Capital Reduced.

A well known Prince Edward Island fox rancher who is moving his foxes, of which his company has more than a hundred, from Prince Edward Island to Nova Scotia, informs THE FINANCIAL POST that the day for the fox business on the old lines has passed. Never again will be seen the fancy prices that once prevailed. But he thinks there is a future for the raising of foxes on a legitimate livestock basis, that is for the sale of skins and not for breeders as such. This authority, whose name cannot be given, as he did not give permission to do so, believes that some of the old companies may yet earn dividends but not until the capitalization is brought away down. Foxes that were capitalized at thousands will have to be placed in the capital account at hundreds of dollars. There will have to be a tremendous readjustment of assets and liabilities as to the value of foxes. This is being accomplished by the multiplication of foxes in some of the ranches. If a rancher quadruples the number of his foxes and leaves the capital nominally as before he has really reduced it one-fourth of what it was. The most sanguine hope is that a pair of good foxes capitalized at $5,000 might be made to earn a dividend, but that is the outside figure and it will probably have to come much below that. It costs $125 a year to feed and keep each fox in a good sized ranch.

CANADA'S WHEAT TO BE NEARLY 250,000,000.

Continued from page 1.

areas of very excellent flax, and many crops of late oats. This territory got a pretty good rain Tuesday night, one of the best of the season, and this will tend to develop late oats, and many of these fields may yet give good yields. On the other hand, thousands of acres are being mowed down and raked up for the feed that they will give.

No Districts Complete Failures.

In the territory in Saskatchewan covered this week, have done over 200 miles by motor and have examined many scores samples and found that on the whole the wheat on summer fallow is a full, plump berry of excellent color, but the berry on the poorer and lighter fields is not quite so good as on similar fields in Manitoba; this is possibly due to the fact that Manitoba got a lot more rain at filling time; at the territory covered fully sixty per cent. of the wheat is in stooks, and the remainder coming very fast. There is a labor shortage everywhere, and the class of farm help that has so far come from the East has not been very encouraging. People waiting at stations for harvest hands have been laughed to scorn, especially by French-Canadians, when they offered $3.25 a day for stookers. There is a prospect that things may be little better when the help from the south is available, but our crop is so much earlier than usual that they can hardly arrive in time for many districts. I have not as yet seen sufficient of Saskatchewan to make an estimate of yield, but even in the poorer districts, so far from being a total failure, there will be bread and seed and a little more. Of course some farms are an absolutely total failure, but no districts, and no such conditions as prevailed in 1914. Even the shortage of feed may not be so serious as at first feared, though hay is undeniably short. The improvement in the late oats and barley crop will, to some extent, offset the shortage. A feature of all territory covered this week is the enormous areas of very excellent summer-fallow. There is considerable new breaking, but most of this has been machine done and not packed, and it is doubtful if it will have much stored moisture for next year.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Mackay, com.	81	81
do., pref.	64¾	64¾
Brazilian	40⅛	40⅛
Amer. Cyan.	21	21
Duluth	40	40
Prov. Paper, pref.	80	80
Dom. Steel	67	65½
Can. Steamships, com.	44½	44¼
do., pref.	79	79
War Loan (1931)	96¼	96¼
do., (1937)	95⅛	95
Cement, pref.	90¼	90¼
Toronto Ry.	75	75

CURTAILMENT OF SHELL ORDERS NOT REGARDED WITH MISGIVINGS BY THE CAPTAINS OF INDUSTRY

Continued from page 1.

connections which they feel they are in danger of losing. Indeed, it will take an energetic advertising campaign to get them back to the place they held three years ago. There has been difficulty in securing labor and raw material for ordinary commercial products, but the cessation of shell orders should help to overcome these difficulties.

We must also bear in mind that the per capita tax wealth, and, therefore, the buying power in Canada is higher than ever before. Moreover, farmers will get very high prices for everything they produce for some years to come. This will stimulate business on all lines sold to the farming commmunity. This has been especially evident in connection with such labor-saving lines as cream separators, milking machines, gasoline engines, motor cars and motor trucks. One firm, the Canadian Fairbanks-Morse Co., who recently finished up shell orders, has anticipated this demand and has on hand a large stock of gasoline engines to sell to the farmers.

A good many manufacturers are looking to the United States to replace munition orders with engineering orders. It is felt that this is the opportunity for Canada to collect from the States as the latter has from Britain and her Allies in the last three years, and that only this will restore the balance of trade which is beginning to go in the wrong direction. It is a certainty that the United States firms will be cared for before any overflow business comes to this country, and when the large number of American firms available for munitions and other Government work is considered, such action may very well be some months in the future. Some prominent Canadian manufacturers have been to Washington on this matter, and have received this information from the highest sources. It is thought that the flow of business to this country should occur within six months' time.

REVIEW OF MARKET FOR MINING SHARES

Name.	Capital Authorized	Capital Issued	Week ending Aug. 23 High	Low	Sales	Close Aug. 23 Asked	Bid
COBALT STOCKS—							
Adanac	$ 2,500,000	$2,250,000	.20¼	.16¾	69,650	.19	.18¾
Bailey	5,000,000	4,250,000	.03¾	.03¾	3,500	.04	.03¾
Beaver Cons.	2,000,000	2,000,000	.38	.36	18,700	.36½	.36
Buffalo Mines	1,000,000	1,000,000	...	...	....	...	...
Cham.-Ferland	2,500,000	2,312,850	.16½	.14	22,000	.16	.15
Coniagas	4,000,000	4,000,000	4.25	4.00	550	4.25	3.50
Crown Reserve	2,000,000	1,999,957	.26½	.23	3,500	.27½	.26½
Foster	1,000,000	915,588	...	...	....	...	...
Gifford	250,000	....	.04½	.04	14,000	.04½	.04
Great Northern	1,500,000	1,500,000	.07½	.07	1,500	.07¾	.07
Hargraves	2,500,000	2,500,000	.14½	.11¾	52,500	.14	.13¾
Hudson Bay	25,000	7,761	.37	.37	21	.38	.35
Kerr Lake	3,000,000	3,000,000	6.10	5.50	985	5.90	...
La Rose	7,500,000	7,493,135	.50	.50	3,100	.52	.49
McKin.-Dar.-Sav.	2,000,000	2,247,692	.61	.57	10,300	.60	.59½
Nipissing	6,000,000	6,000,000	8.55	7.90	3,310	8.45	8.30
Ophir	685,000	....	.09	.08	5,500	.08¾	.08⅜
Peterson Lake	3,000,000	2,401,820	.12½	.11	22,600	.11¾	.11½
Right of Way	2,000,000	1,685,500	...	...	....	...	...
Seneca-Superior	500,000	478,884	...	...	....	...	...
Temiskaming	2,500,000	2,500,000	.33	.32	23,459	.32¼	.32
Trethewey	2,000,000	1,000,000	.15	.13	7,000	.15	.12
Wettlaufer	1,500,000	1,416,590	.06¾	.05½	10,600	.07½	.06½
PORCUPINE STOCKS—							
Apex	2,000,000	1,300,000	.06¾	.05½	33,600	.06¾	.06½
Dome Cong.	2,500,000	1,250,000	...	...	....	...	...
Dome Extension	3,000,000	2,200,000	.16¾	.16	19,005	.17	.16½
Dome Lake	2,000,000	1,227,017	.18	.17	5,600	.17½	...
Dome Mines	5,000,000	4,000,000	10.50	9.90	785	...	10.10
Foley-O'Brien	3,000,000	2,500,000	...	...	....	...	...
Hollinger	3,000,000	3,000,000	4.70	4.42	1,500	4.55	4.50
Jupiter	2,000,000	1,867,786	...	...	....	...	...
McIntyre	3,000,000	2,999,995	1.66	1.54	49,529	1.61	1.60
McIntyre Extension	2,500,000	2,000,000	...	...	....	...	...
Porcupine Crown	2,000,000	2,000,000	.45	.36	3,923	...	.42
Porcupine Imperial	2,000,000	1,409,200	...	...	....	...	...
Vipond	1,500,000	900,000	.35½	.32	9,450	.38	.34
Preston E. Dome	3,000,000	2,000,000	.04⅝	.04½	10,400	.04¾	.04¼
Schumacher	2,000,000	....	.49	.47	4,100	.49	.48
Teck-Hughes	2,000,000	2,000,000	.50	.46	4,700	.50	.45
West Dome Con.	3,000,000	2,000,100	.19½	.17½	44,779	.19	.18½
MISCELLANEOUS—							
Con. Min. & Smelt.	10,000,000	8,427,500	.29	.28½	639	.29	.28¼

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CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Aug.23, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings %	Div. 1912	Div. 1913	Div. 1914	Div. 1915	Last Dividend Date 1917	Rate	Yield to Aug. 16	BANKS	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Aug. 16 High	Date	Low	Date	Close Aug. 24 1916 Ask	Bid	Close Aug. 24 Ask	Bid	Week ending Aug. 23 High	Low	Last	Sales
4,866,666	3,017,333	198,175	7 97	8+1	8	8	8	8th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29										
15,000,000	13,500,000	461,892	15 70	10+1	10+2	10+2	10+2	1st June	q. 2½	5.37	Commerce	218	199½	205	203	203	183	188	Feb. 27	183	Apr. 5	188	187						
6,000,000	7,000,000	344,439	14 05	12+2	12+2	12+2	12	2nd July	q. 3	5.82	Dominion	233	218	229½	227	220	204	212⅛	Jan. 9	203	June 28		211½	185	183½	207⅞	207⅛	207⅞	70
3,000,000	3,300,000	175,821	14 14	11	12	12	12	1st June	q. 3	6.28	Hamilton	207	198	208	201	197	246¾	192	Mar. 17	189	May 23	197							
4,000,000	3,700,000	40,622	13 25	9	9	9	5	1st June	q. 2¾	6.31	Hochelaga	155	149	150	149	149	145	145	Jan. 9	142⅛	Aug. 15								
7,000,000	7,000,000	1,089,656	14 73	12	12	12	12	1st Aug.	q. 3	6.21	Imperial	218	210	214	210	203	180	200½	Jan. 11	190	June 14		201		192	197	197	197	11
1,946,373	300,000	42,791	8 44	6¾	7	7	5	1st June	q. 1¼	4.42	Home Bank	116	110												169½	169½	169½	169½	3
7,000,000	7,000,000	250,984	13 68	10	10	10	10	1st Aug.	q. 2½	5.88	Merchants	193	177	180	180	180	150	170	Jan. 3	167	July 25				216	216	216	216	5
4,000 000	4,800,000	61,300	13 09	11	11	11	11	15th July	q. 2¾	6.11	Molsons	205	194	202	200	195	182	186	May 19	179⅛	Jan 24	197							
16,000 000	16,000,000	1,321,193	13 17	10+2	10+2	10+2	10+2	1st June	q. 2½	4.61	Montreal	250	227½	240	234	240⅛	219	234	Jan. 11	215	May 15								
2,000,000	1,900,000	54,843	16 66	7	9	8	8	1st Aug.	q. 2	5.36	Nationale	133¼	131	132¾	132¾	134	134	149	July 31										
6,500,000	12,000,000	396,115	18 07	14	14	14	14	3rd July	q. 3½	5.13	Nova Scotia	265	257	265	261	261	254	257⅛	Mar. 9	252	June 21	261	258						
4,000,000	4,750,000	246,304	13 28	11¾	12	12	12	1st June	q. 3	6,00	Ottawa	208	201	207	207	204	202	202	Mar. 8	200	Feb. 23	204							
2,735,000	1,000,000	11,795	8 54	7	7	7	7	1st June	q. 1¾	...	Quebec	122	118	120	119	119	96												
11,560,000	12,560,000	676,472	15 57	12	12	12	12	1st June	q. 3	5.63	Royal	228	218	223	221¼	221¼	210	214	Feb. 13	210	July 20	213		212	210	211	210	211	30
3,000,000	4 000,000	651,646	18 78	163	13	13	13	1st Aug.	q. 3¼	6.31	Standard	223½	208½	220	215	221	211¼	215	Jan. 2	203	July 25		220						
1,198 801	3,000,000	52,184	12 20		6	6	6	15th Aug.	q. 1½	6.12	Sterling	98½	98																
5,000,000	6,000,000	439,378	13 02	11+1	11+1	11+1	11	1st June	q. 2¾	5.85	Toronto	215	203	211	207	215⅛	190	213	Jan. 30	188	July 31	197	195⅛						
5,000,000	3,400,000	106,972	13 19	8	8	8+1	8+1	1st June	q. 2	5.76	Union	147½	137	140½	140	140	132	142	July 30	136	Mar. 29		131		139	139	139	139	14

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916		Last Dividend Date	Rate	Yield	Company	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Date	Low	Date	Close 1916 Ask	Bid	Close Aug. 24 Ask	Bid	Week High	Low	Last	Sales
											Barcelona, T. L. and P.	35⅛	15⅛	17⅜	7⅜	17	19	17	Jan. 4	10½	June 18	16¼	16	10⅜	10⅜	11	10⅝	10⅝	30
207,450 000	10,000,300		3,822,410	6	6	4	2	1st June	q. 1	9.09	Brazilian Traction L. and P.	92	53⅛	59¾	45	62⅝	43	47¾	Jan. 2	37	Apr. 20	59¾	59⅞	40⅞	39¾	41½	39	40⅞	1,475
16,217,500	10,000,000			3	6	6	3	1st Apr.	q. 1½		Brazilian Traction, Pref.																		
12,000,000		9,766,740	108,080								Canada Steamships Lines, Com			20	6	45	16	45⅛	June 21	29¾	Feb. 3	28⅞	28½	44	43⅛	45⅝	42½	43¾	6,352
	12,500,000				3½	6	3½	16th Aug.	q 1¾	8.86	" " " Pref			76½	59	95½	89¾	93¾	Jan. 29	76¼	June 12	86¾	86½	79	78	79½	78¾	79	396
260,000,000	80,681,921	234,684,062	208,492,641	7+3	7+3	10	7½	1st July	q. 2½	6.25	Canadian Pacific Railway	219⅝	171½	195½	139¾	182½	163¾	167½	July 9	149⅛	Feb. 8	178	176⅛	161	158⅛	162½	160	162⅝	410
								15th Aug.	q. 1	5.40	Civic Investment					83¾	79	82¾	Jan. 26	73⅞	June 29	100½	99⅛	75	74⅛	75	74	74	213
12,500,000		33,485,135	7,767,986	6	6	6	3¼	1st June	q. 1¾	6.36	Detroit United	73¾	55	73	62	128½	69	128	Jan. 3	106½	July 9			109	107½	108	108	108	50
3,500,000	1,500,000	3,262,000	339,156	4½	4	2	p	1st July '15	s. 1	8 66	Duluth Superior Traction Co., Com	67	55	60	55	49	37	51⅛	Mar. 7	41¾	Aug. 7	46	44¾						
1,400,000		600,000	921,736	8	8	8	6	2nd July	q. 2	5.00	Halifax Electric pref.	°160	°160			160	160												
12,251,400	7,135,500	810,000	1,700,607	2¼	3	3	1½	15th Aug.	q. ¾		Illinois Traction, Com																		
				6	6	6	4½	2nd July	q. 1½	7.14	Illinois Traction, Preferred	95	95	93	91	91	87¾	89	Feb. 22	83	May 21	89	88		84	84	84	84	10
25,000,000								1st Nov.'13	q. 1¾		Mexico North Western Railway																		
20,000,000		16,381 333		7							Mexico Tramways Co																		
25,206,000	12,603,400	77,511,450	14,750,595	7	7	7	3½	15th Apr.	s. 3½	5.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½														
2,963 970		32,771,487	1,264,166	10	10	10	5	1st Aug.	q. 2½	6 94	Montreal Tramways	230	190	220	220			181	Jan. 5	175	Feb. 19								
9,000,000	3,481,600	12,022,000	1,704,720	5	5	5	2½	15th June	q. 1¼	6.84	Northern Ohio Traction			73	73														
3,000,000	1,000,000	4,017,667	49,922	4	3			1st July '14	p. 1	10.53	Porto Rico Railways Co., Com	71	45	51	45	49½	30	42	Jan. 27	35	Jan. 3	48	43⅛						
				7	7	7	5¼	3rd July	q 1¾	8.75	" " " " Pref	103½	101			30						100	90						
9,999,500		10,797,000	347,499					15th Jan.'12	q. 1 p	8.00	Quebec Railway L., Heat & P. Co.	16¾	10	20½	9⅛	45	14	35½	Jan. 2	16⅛	July 20	34⅛	33						
966,400			393,791	8	8	10+2		1st Jan.	a. 8		St. Law. & Chi. Steam Nav. Co.	110	°99	130	100														
12,000,000		3,482,067	5,841,738	8	8	8	6	3rd July	q 2	10.59	Toronto Railway	144¾	110	117½	111	111	72	90½	Mar. 12	73	July 1	93	92	76	74¾	75	75	75	5
9,000,000	3,000,000	12,305,000	535,055	6	6	6	3	1st July	q. 1½	6 74	Tri-City, preferred			89	89														
22,000,000	3,000,000	20,263,000	6,919,635	6	6	5	4½	2nd July	q 1½	7.05	Twin City, common	108½	99¾	101	93	101	93⅜	95	Jan. 3	84	July 3	98	97		85¼	85⅛	85	85¼	90
9,000,000		12,021,196	2,028,288	12	12	12	10½	1st Jan.	q. 2	16.00	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	36	Aug. 10			42	38	40	40	40	5

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916		Last Dividend Date	Rate	Yield	Company	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Date	Low	Date	Close 1916 Ask	Bid	Close Aug. 24 Ask	Bid	Week High	Low	Last	Sales
18,000,000		11,149,000	1,249,135	8	8	8	6	15th July	q. 2	5.83	Bell Telephone	159¼	140¼	159	140	152	140	150	Feb. 5	136⅜	July 30	152	148⅛		135⅛	137	137	137	50
4,882,000			3,234,018	10	10	10	5	2nd July	q. 2½	6.57	Consumers Gas	180	169	185	176	176	160	165½	May 10	150	July 9			152	150	150½	150	150	4
1,850,000		2,999,813	271,975								Calgary Power	59	53																
41,380,400			1,355,899	5	5	5	3¾	2nd July	q. 1¼	7.45	Mackay, common	88	75	84¼	71	87	78	90	Feb. 17	80¼	Aug. 11	85⅞	85½	81	80⅛	81	80	80¾	254
	50,000,000			4	4	4	3	2nd July	q. 1	6.15	" preferred	71	65½	70¼	65	69¼	64½	68	Jan. 16	63⅞	Aug. 2	68⅛	67⅛	64¾	64⅛	64⅞	64	64⅝	105
13,585,000		21,073,833	318,522	4	p	p	p	15th Jan '14	q. 1		Mexican Light and Power Co., com	49⅞	32½	46	46	15	15						46						
	6,000,000			7	p	p	p	1st Nov. '13	s. 3½		" " " " pref																		
18,778 266		10,152,000	5,742,273	9½	10	10	8	15th Aug.	q. 2½	4.73	Montreal Power	230	211	241¾	211	249¾	218												
3,483,520		1,275,000	765,296	10	8	6½	4½	2nd July	q. 1⅛	7 77	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¾	92	92	Jan. 17	75	Aug. 8								
13,612,500		10 012 762	2 587 928	6	6	6	7¼	10th July	q. 1¾	5.83	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	119	July 19	132	130		119	119	119	119	17

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916		Last Dividend Date	Rate	Yield	Company	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 High	Date	Low	Date	Close 1916 Ask	Bid	Close Aug. 24 Ask	Bid	Week High	Low	Last	Sales
3,5[illegible],000		960,000	203,236								Ames Holden McCready Co., com	16	6	23	7⅞	35	19½	23¾	Jan. 3	14	Aug. 9	24	22½	16	15	15½	15	15	135
	2,800,000			7	5¼			1st July '14	q. 1¾	14.00	" " " pref	70¼	54	75	55	80½	52	61	Jan. 9	48	Mar. 1	63	59	49⅛	49	49⅛	48¾	49⅛	150
				7	7	7	3½	21st May	s. 3½	8.75	British Col. Packers, com							44	July 24					45		43⅛	43⅛	43½	10
1 88,900			1,591,599	7	7	7	2	21st May	s. 2	6.19	" " " pref	143½	111	124	105	147½	58												
	357,500			6	5½	4	2	2nd July	q. 1	5.33	F. N. Burt Company, com	88	67	72½	70	88	72	85	Feb. 23	75	Aug. 2	80	78						
750,000			336,266	7	7	7	3½	2nd July	q. 1¾	7.89	" " " pref	100	89	75	89	96	86	93½	Mar. 5	88¼	July 10	95	93						
	1,975,200										Canada Bread, com	33	18½	31⅛	29	30	16½	17	Feb. 6	15	May 19	21	20						
2,500,000	1,250,000	1,209,300	234,164	7	7	7	5¼	2nd July	q. 1¾	8.23	" " pref	92	89½	90¼	90	90	87	86½	Jan. 5	85	Mar. 5	87½	86⅛						
1,177,500	602,450	301,750	151,553								Carriage Factories, com													23	22¾	22	20	22	780
13,500,000		7,448,680	2,675,233					16th May	q. 1¾	11.47	Canada Cement, com	32	28	48½	28	73	37¾	69⅞	Jan. 4	56	Feb. 1	57¾	57	62	61	62¾	61⅛	62	505
	10,500,000			7	7	7	3½	16th May	q. 3	13.04	" " pref	93	98½	98½	89¾	9	86	95¾	Jan. 6	90	Feb. 3	92½	91¼	90½	89⅛	92	90	90	54
3,975,000		9,072,698	1,573,798	4	2			2nd June '14	s. 2d	13 33	Canadian Car and Foundry, com	70	48	120	50	75	32	46⅛	Jan. 4	25¼	Jan. 19	49	47⅛	32⅛	31	32	31	32	715
	7,000,000			7	5¼			1st Apr. '16	q. 1¾	10.14	" " " pref	109½	98	127	98	94	1¾	89	Jan. 3	59	Jan. 19	75	72						
1,733,500		399,000	202,290	4	4	1	1	15th Aug.	q. ½	5.00	Canadian Converters	40	34	34	34	46	34	43	July 10	39	Feb. 21		30						
2,715,500		4,811,000	1,437,926	6	6	6		4th July	q. 1	7.69	Canadian Cottons, Limited com	39	24	40	24	65	39	56	Jan. 3	51	Feb. 5	49⅞	45	52	50	50	50	50	136
	3 661,500						14½	4th July	q. 1⅛	7.77	Canadian Cottons, Limited, pref	79	70⅛	77	71	82⅛	75⅛	82	Jan. 1	76½	Apr 2	80			76	78	78	78	5
1,600 000	1,500,000		697,836	6	6	6	3	15th Dec.	s. 3		Canadian Fairbanks-Morse, pref	92	92	95	95														
960,000		151,900	895,316			10	12	15th Aug.	q. 3	7.05	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	150	Mar. 28				170	170	170	170	15
	960,000			7		7+3½	7	15th Aug.	q. 1¾		" " " pref					90	85	94	May 28										
2,000,000	1,500,000	1,545,000	142,807								Canadian Locomotive Co., com	45	30	64⅛	30	64⅛	51	64	Apr. 12	52⅛	Feb. 3	62⅛	61	61¾	60½	62	61¼	61½	125
				7	7	7	5¾	1st July	q. 1¾	7.95	" " " pref	°90⅛	85	90	78	99	81	91½	Apr. 11	84	Feb. 8	82⅛		90	88	88⅛	88⅛	88⅛	25
2,805,500		5,097,000	2,862,397	4	4			15th Oct. '14	q. 1	4.44	Can. Consolidated Rubber, com	91	91	91	91	91	84	97½	Jan. 30	90	Mar. 22	105	95						
	3,000,000			7	8¾	7	5¼	30th June	q. 1¾	7.25	" " " pref.	°97	96⅛	101	100	97	91	97	July 3	95	Mar. 22								
8,000,000		1,867,751	3,707,119	7	7	7	5¼	2nd July	q. 1¾	6.79	Canadian General Electric, com	114⅞	90¼	128	90¼	121	108	115½	Jan. 24	100½	July 6	118	117	104	103	103⅛	103¼	103¼	35
	2,000,000			7+1	7	7	3½	1st Apr.	s. 3½	6.66	" " " pref.			110½	110	112	110	106	Feb. 1	94½	Jan. 31								
1,200,000		500,000	353,391								Carriage Factories, Limited, com			53⅛	35⅛	44	29¾	25	Jan. 13	9¼	June 18								
	1,200,000					3½		15th July '15	q. 1¾	10.00	" " " pref			81	75	75	60												
565000		65,918	96,839	7	8	8	6	3rd July	q. 2	7.09	City Dairy, com	102	98	100	98	98	89	30	Mar. 30										
	700,000			7	7	7	5¼	3rd July	q. 1¾	11.66	" " pref.	101¾	98	102	98	100½	92	70	Apr 3			100	98		60	60	60	60	2
6 500,000			749,100	8	7¼	5¾+3	4	15th Aug.	q. 2	5.47	Dominion Bridge Co.	122⅛	107	230	107	231½	160	170	Jan. 4	125	June 23	220	219	149	146⅛	147	145⅛	145⅛	295
752,200		1,878,000	180,813	6	3	1p	p	1st Apr. '14	q. 1½		Dominion Canners, com	68⅝	27⅛	35	31	22	15	26	Mar. 6	19	Jan. 3	22	8						
	2 290,600			7	7	7	1¾p	1st Apr. '15	q. 1¾	9.33	" " pref	96	80			65	61⅛	78	Feb. 7	65	Feb. 3	63	58						
32,097,700	7,000,000	25 669 076	6,784,844	4	1	p	p	2nd July	q. 1	6.50	Dominion Steel Corporation, com	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52¾	Feb. 3	55¾	55½					61⅛	2,146
	5,000,000	14 286 106		7	3½p	p	7	1st Apr.	q. 3½		Dominion Iron and Steel, pref.	°94	68	96	71	105	90	95	Jan. 3	89	May 28	100	95	92⅛		92	91⅛	92	20
15000,000	3,000,000	6 482 500		7	7	7	3½	1st Feb.	s. 3½	7.77	Dominion Coal, pref	106	97⅛	101	98	99	93	96⅛	Jan. 22	85	July 6			64⅞	64¾	66	62	64½	1,275
5,000,000		3,697,775	881,926	6	6	6	4½	3rd July	q. 1½	7.14	Dominion Textile, com	86⅝	60	77	64	90⅛	74⅛	89	May 25	76½	Feb. 3	83	81⅛	85	83	84	83¼	83¾	14
	25,975			7	7	7	5¼	16th July	q. 1¾	6.93	" " pref	106½	100	103	101	105	101	105	Apr. 26	99⅛	July 5		103						
1,750,500		1,200,000	331,136								Goodwins, Limited, com	28	°23	28	26	40	40						40						
	1,250,000			7	7	5¼d		25th July '14	q. 1¾		" " pref	°82	74			75	40	45	Mar. 20			75							
747,500		285,000	799,367	6	6	6	3	1st July	q. 1½	6.00	Goulds Manufacturing Co., com	97¾	97⅛					100	Apr. 19										
	747,500			7	7	7	6	1st July	q. 1¾		" " " pref																		
40,000,000		8,643,000	25,072								Lake Superior Corporation	22⅝	6⅝	9⅞	9⅞														
2,100 000		900,000	935,994	10	8	8	4	1st June	q. 2	6.40	Lake of Woods Milling Co., com	135	127	137	129	136⅛	122	130	Jan. 2	124	Apr. 13				125	125	125	125	25
	1,500,000			7	7	7	3½	1st June	q. 1¾	6 03	" " " pref	120	120	122	120	129	116	116	Jan. 31			123							
9,600,000		753,807	701,624	8	8	8	6	3rd July	q. 2½	5.76	Laurentide	192¾	160	198	160	217½	176	195	Jan. 5	170	June 29	190	188		170	172	172	172	5
1,750,000		1,130,500	82,830		2						Lyall Construction Co., com					93	25	80	Mar. 21	64	Jan. 25								
	1,300,000										" " " pref																		
3,000,000	1,766,800	200,000	247,710								A. Macdonald Co. com.	21¾	8	14	7	19⅛	10	15⅛	Mar. 12	8	Jan. 5	13	11	15⅛		15¼	15	15	885
2,500,000			1,034 + 0				6	18th July	q. 2¼	8.82	Maple Leaf Milling, com	47⅜	25	68	30⅛	122	100	115	Mar. 21	90	Feb. 3		85	102	97	102	100	101¾	171
	2,500,000			7	7	7	5¼	18th July	q. 1¾	7.54	" " pref	101	98	98	88	108	93	103	Feb. 10	92	May 15	94	93	94	92	93	91¾		120
2,949,600		856,664	2,170,170	4	4	4	2	15th June	q. 1	7.40	Montreal Cottons, Ltd., com	58	56	56	51	63	50	58½	Jan. 4	49	June 11	53	51		52	52	52	52	5
	3,000,000			7	7	7	3½	15th June	q. 1¾	7 07	" " " pref	103	97¼	100⅛	99	115	99	103	Jan. 24	99	July 25	103	101						
1,275,000			194,889	6				1st Nov.'13	q. 1½	15.00	Monarch Knitting Co., com	40	25	27	25	40	25⅛	40	Jan. 2	35	Jan. 3		32	38	35	35	35	35	2
	750,000			7	7	7	3½	1st Aug.	q. 1¾	8.75	" " " pref	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2		82						
6,000,00		9,833,309	2,110,609	6	4½			15th July '14	q. 1½	5.71	Nova Scotia Steel, com	79	39	107	45¾	154⅛	93¾	128	Jan. 4	88	Apr. 25	128½	126½	102⅛	99	104⅛	100	100	335
	1,030,000			8	6	12	2	14th July	q. 2 p	7.27	" " " pref.	120	110	125	110	115	110	112	Jan. 4	105	June 25	112⅛							
2,500,000		2,350,000	512,061	8	8	8	6	2nd July	q. 2	5.55	Ogilvie Flour, com	123	107	144	107	152	127⅞	150	July 24	137	Feb. 27	140	138	150	149	150	145	195	60
	2,000,000			7	7	7	3½	1st June	q. 1¾	6.25	" " pref.	117	105	120	113	116	44⅛	115	Jan. 19	110	Aug. 3		114	112¼		112¼	112¼	112¼	10
750,000		600,000	78,039								Ont. Steel Products, com					45	19	34	Jan. 4	18	Mar. 16	133	128						
	750,000					3	7	15th Aug.	q. 1¾	9.09	" " " pref					91⅛	73	74	Apr. 14										
650,000			42,472	2	2	2	2	2nd July	s. 1	5.13	Pacific-Burt Co., com	32	°28	31	28	29	20	40	Mar. 20	28	Jan. 9	22	20						
	650,000			7	7	7	2½	2nd July	q. 1¾	8.75	" " pref	85	82½	85	80	83¼	77⅛	82	June 8	80	Jan. 3	80							
2,150,600		2,000,000	1,719,899	4	4	4	2	15th Aug.	q. 1	5.71	Penmans, Limited, com	55½	48	62	49	78	60	73½	Mar. 26	69	May 3	64	60	71		71¼	70⅛	70⅛	62
	1,075,000			6	6	6	3	1st Aug.	q. 1½	7.22	" " pref	84¼	79⅛	83	82	90	82	86	Apr. 10	81⅛	Jan. 3		81		82	82⅛	82⅛	82⅛	5
5,000,000		5 804,862	2 100,240								Price Bros	60	70			132	60⅛	134	July 25	115	Mar. 30								
4,500,000	1,000,000	1,533,000	375 634	7	7	7	3½	30th June	q. 1¾	5.78	Riordan Pulp and Paper, com					150	59	127	Jan. 3	106	Feb. 3	96	92	120½	119	121½	120¾	121½	55
1,500,000			688,499	12	12	8	6	2nd July	q. 1½	9.23	William A. Rogers, Ltd., com	147	96	103	96	99	85	80	Feb. 15	65	Apr. 19	91							
	900,000			7	7	7	7	2nd July	q. 1¾	7.77	" " " pref	106	99	99	99	99	87	92	Jan. 4	90	Feb. 14	94	90						
800,000		Def.	703,364	1¾				1st Feb.'13	q. 1¾	8.75	Russell Motor Car, com	20	5	50	10	114	32	92	Jan. 4	70	Feb. 3		57						
	1,200,000			5¼				1st Aug.'13	q. 1¾	6.30	" " " pref	49	25	76	25	139	66	122	Apr. 3	100	Jan. 1	95	91	110⅛					
1,500,000		691,200	39,245								Sawyer-Massey Co., com	30	25	33	25	30	20	24	Mar. 16	8	May 21								
	1,500,000			7	3½			2nd June '14	q. 1¾	7.78	" " pref	88	69	76	69	134½	58					72							
4,000,000		1,950,000	1,080,988								Sherwin-Williams, com	60¼	53	57½	55	99⅛	53⅛	59¾	Mar. 9	56	Feb. 5								
0	3,000,000			7	7	7	3½	30th June	q. 1¾	7.07	" " pref	104	97	100	98¼	100	97⅛	100	Jan. 6	98	Jan. 11				99	99	99	99	2
8,750,00			450,597	6	6	6	4½	2nd July	q. 1½	4.58	Shredded Wheat, com	90¾	.78	102	92	140⅛	102¼	137¾	Mar. 1	130	June 1								
	1,250,000			6	6	6	4½	1st July	q. 1½	6 25	" " pref	°94	°92⅛	99	93	120	95	95	Feb.19	95	Feb. 19		98						
1,718,600			417,716	5	2½p			2nd July	q. 1¾	9.09	Smart-Woods, Ltd., com	20	18	15	20	65	33	55	Jan. 12	44	Aug. 6	41		53	50⅛	50	49	50	100
	1,547,000			7	5¼p		5¼	2nd July	q. 1¾	8.75	" " pref			45	20	101	84	60	May 9			90							
8,000,000		5,332,113	226,860								Spanish River Pulp Mills, com	16¾	9	9⅝	3	24⅛	3½	19	Jan. 4	12⅛	Aug. 8	12½	11⅛	17	15	19	15⅛	17	1,78[illegible]
	5,699,100			3½P				15th July'13	q. 1¾	13.79	" " " pref	°51	31	35	35	70	29	59¾	Jan. 11	47	Aug. 15	43		52⅛		52½	50¼	53½	382
11,500,000		10,050,000	4,272,453					1st Aug.	q. 1x½		Steel Co. of Canada, com	20	11	48	8⅛	88¼	34¼	71½	Jan. 4	52	Feb. 3	58¼	57⅞	58½	58	60¾	57¾	58⅛	1,934
	6,496,300			7	3½p	7	5¼	1st Aug.	q. 1¾	7.73	" " " pref	87⅜	69	95	69	107¼	82⅛	100⅛	Jan. 2	89¼	July 12	88¼	87¾	91½	91	91	90½	91	130
650,000											Tooke Bros., com	26	15	18	16	25	16					25							
	985,000		71,518	7	7	3½	1¾p	31st May	q 1¾	9.72	" " pref	81	75			83	78	79	Jan. 4	72	June 12								
750,000		500,000	120,673	1.88	6¾	1½p		2nd July	s. 2	5.	Toronto Paper Co	61	30	45	25	96	44	90	May 17	72	Jan. 16	53	46	80	75	76	76	76	5
2,500,000			218,962								Tuckett Tobacco, com	47	29	29¼	29	25	23½	22½	Jan. 18	19	June 1			22	19	21	20	20	65
	2,000,000			7	7	7	5¼	14th July	q 1¾	8.75	" " pref,	101	90¼	90	90	90	75	83⅛	Jan. 18	78	Apr. 30		86						
5,000,000		3,500,000	691,225								Wayagamack com	32⅜	21	26½	26			95	Jan. 11	60⅛	July 27				59	59	59	59	10

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—in dicates bonus; b—means bond; p—preferred stock; d—debentures; °—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bonds, Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1915 High	Low	Range for year 1916 High	Low	Latest Price Ask	Bid	Last Sale
1 205,000	4,122,853	1,244,392	9	1st Jan.	q. 2¼	Canada Landed	162	157½	163	157½		159	159⅛
6,000 000	20,905 085	5,19[illegible],652	10	15th Mar.	q. 2½	Canada Permanent	188	183	183	168⅝		167½	167½
1,750,000	6,225,008	1,773,242	10	15th Mar.	q. 2½	Central Canada	190	190			190		
2,452,867	725,667	403,966	6	31st Dec.	s. 3	Col. Investment, pref.	83	78	76	70		75	77
934,395	1,062,481	240,929	5	2nd July'15	s. 2½	Dominion Savings	81	81	80	80		81	73
2,410,925	2,458,069	685,002	8	2nd July '15	s. 4½	Great West Per							89½
1,200,000	2,598,876	1,014,033	8	31st Dec.	s. 4	Hamilton Provident	140½	135	140	138		141	141
2 458,414	11,516,497	2,910,662	12	31st Dec.	q. 3	Huron and Erie	211	209	214	209		209	208½
978,500	1,914,623	728,163	8	31st Dec.	s. 4	Landed Banking	147	147	145	144		145	147
1,250,000	3,112,314	748,734	8	15th Mar.	q. 2	London and Can. Loan	136	131	135	132		134	130
882,889	1,761,804	341,690	1½+8	15th Mar.	q. 1½	London Loan and Sav							
600,000	275,170	705,277	10	15th Mar.	q. 2½	Montreal L. & Mtg. Co.	176	165	175	160			165
1,500,000	6,986,333	1,573,560	10	31st Mar.	q. 2½	National Trust	233	233	210	210	223		210
1,750,000	4,457 590	1,800,012	9	31st Dec.	q. 2¼	Ont. Loan and Deb.	173	179	175	169		175	160
500 000	655,690	225 ,408	7	31st Dec.	s. 3½	Real Estate Loan							103
1,500,000	32,104,288	1,848,813	10	31st Dec.	q 2½	Toronto Gen. Trusts	210	291½	212	205½		207	207
724,550	88719 25	527,834	8	31st Cec.	q. 2	Toronto Mortgage Co	138	138	140	134		140	140
,000,000	1,344,920	937,661	5	1st Mar.	q. 2½	Toronto Savings							185
,000,000	7,00,1000	991,336	10	30th Dec.	q. 2½	Union Trust							178
,000 000		5 946.27	4	1st Apr.	s. 4	Canada Life Assurance							193

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Low	Range for Year 1916 High	Low	Latest Price Ask	Bid
1,500,000		1,894,479	5	1st Oct	s. 5	Canadian N. Prairie Lands						
800,000	300,000	395,959		1st Oct. '15	q. 2	Canadian Salt	115	110	140	124	135	120
59,133		1,752,420	5	13th Mar.	5	Can North-West Land						
		2,390,163	20	30th Dec.	q. 5	Confederation Life A.			350	330	335	320
6,212,667		531,499	6	1st June	1½	Crows Nest Pass Coal	100	100	83	71	80	
1,000,000		291,961	6	15th Jan.	q. 1½	Dominion Telegraph			90	86		90
3,000,000	3,984,500	77,642				Electrical Dev., pref						
450,000	p2,909,000	1,458,082	10	1st Jan.	q. 2½	Imperial Life Assur						
500,000	b 232,000		p	1st Mar.'12	s. 2	Intercolonial Coal						
	p 219,700	797,531	p	1st Mar.'12	s. 3½	Intercolonial Coal, pref						
3,000,000		513,930		1st Mar. '14	1	Intern. Coal and Coke						
2,196,000	2,000,000	421,140	6	15th Jan.	q. 1½	Kaministiquia Power						
556,000	b 666,000	109,976	3	3rd Jan.	s. 3	London Street						
2,000,000		118,225	8	3rd Jan.	q. 2	Montreal Telegraph			136	135		135
925,000	b1,123,000	248,379				Nia., St. Kath. and Tor.						
1,000,000	b1,250,000	176,188				Saint John Ry						
1 164,000	b 756,500	199,996		10th July '15	q. 1¼	Trinidad Electric	105	100				
2,124,700	1,598,057	575,484	8	15th Dec.	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 600,000	541,374	5	1st Jan.	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

PUBLIC-OWNED ABATTOIR IS RUN AT A LOSS

Toronto's Venture Into Questionable Field of Enterprise is Unsuccessful.

1916 PROFIT EXCEPTIONAL

Was Derived From Renting Portion of Building to Big Packing Company Who Have Now Vacated.

That the city of Toronto is operating the Civic Abattoir at a loss and that there is now a deficit was the admission made by Property Commissioner Daniel Chisholm to the FINANCIAL POST this week.

The Commissioner refused to make any comment on the affairs of the Civic Abattoir when seen by the POST, and stated that a report had been handed in to the Board of Control which had not been dealt with.

"You had better see Mayor Church," said the commissioner.

"Is it probable that the civic abattoir will show a deficit this year?" asked the POST.

"I cannot say."

"But it is a fact that you are running behind last year?"

"Yes, we are a little behind."

"So that up to date you show a deficit."

Deficit Admitted

"Yes, there is a deficit but I do not know how much. The months of July and August are very quiet, and it will be the end of the year before we can make any definite statement."

"How much behind are you?"

"I don't know."

"Would City Auditor Sterling have the figures?"

"No, he will not have the figures for a couple of months."

It now appears that the civic abattoir is a failure as a business proposition and has failed to fulfil the expectations and promises of those who were instrumental in promoting the enterprise. It is admitted that the present condition of affairs will prove a severe blow to public ownership, and impair the confidence of the citizens in any future business undertaking of the municipality. Even public ownership papers like the "Toronto Star" publish articles stating that the enterprise is facing a crisis.

Subject of Debate

The management and business policy of the civic abattoir have been the subject of repeated discussion in the City Council, ever since the building was erected. Even at this late date some members of the City Council do not appear to be conversant with the objects of the civic abattoir. The erection of the plant received strong opposition from various sources, as it was felt that the city was embarking on a venturesome undertaking in a highly specialized business, in competition with strongly organized competitors, who could profit by years of experience. Recent developments have justified this belief. The business as now conducted is a place where the butcher can go and kill and dress his meat. The revenue to be derived from this class of business alone will not support the institution.

Some months ago Property Commissioner Chisholm notified the Board of Control that extension was necessary, and recommended the dealing in frozen meat. No action has been taken yet although another report has been handed in by the Commissioner.

Last year the civic abattoir showed a net profit of $211.63, by reason of the fact that the William Davies Company were paying a high rental for a large portion of the abattoir. The William Davies Company have now moved to their own building which has been completed, and the loss of rent will add further to the amount of the deficit.

PRO AND CON.

Division of Opinion on American Soldiers' Insurance Plan.

Old insurance companies are now reported to be opposed to Secretary McAdoo's plan of insurance for United States soldiers. Samuel Gompers, president of the American Federation of Labor, favors the bill, which is drawn on the principle of workmen's compensation. In his opinion men who offer their services to the country are just as much entitled to compensation for disability as men employed in munition factories or navy yards.

BIG BUSINESS MEN OF MONTREAL ENTER PROTEST

Declare That C. N. R. Purchase Bill Will Impose Burden on Country.

RECEIVERSHIP IF NECESSARY

Earnings Should Not Be Diverted to Secure Profits to the Bondholders and Shareholders.

Montreal, Aug. 23. —A number of prominent business men of the city, financiers, manufacturers, wholesalers, real estate men and others came out in the local papers to-day condeming the Canadian Northern Railway plan that is before the Dominion House, on the grounds that it will impose on Canada a "burden of unknown magitude," that the real extent of the obligations are unknown as are the assets, that a solvent guarantee is absent, that the usual course in the United States has been to place the roads in the hands of a receiver, that no agreement or obligation to purchase is produced, that the only examination that had been made so far had resulted in the opinion of two of the three experts that the stock proposed to be purchased was worth nothing. They, therefore, protest against their own earnings being diverted "for the purpose of securing profits to the bondholders and the shareholders, when their equity had been declared to be of no value."

The signatodies are as follows:

F. W. Molson, James Law, H. R. Drummond, Geo. E. Drummond, Armand Chaput, Fred Prudhomme, Zeph. Hebert, A. J. Brown, C. S. Garland, H. A. Ekers, Chas. Chaput, A. Guy Ross, Joseph Ainey, C. Meredith, C. S. Campbell, W. R. Mille, George Caverhill, Wm. McMaster, H. W. Blackwell, Andrew J Dawes, Robert Hampson, George R. Hooper, George W. Sadler, W. W. Hutchison. Wr. C. Finley, F. H. Wilson, G. F. Benson, A. Cradock Simpson, James Morgan.

The document reads as follows:

The Government bill to authorize the purchase by it of the capital stock of the Canadian Northern Railway is halfway through the House of Commons and will shortly be in the Senate.

If it becomes law it will impose on Canada, at a time when the country is under an unprecedented strain, a burden of unknown magnitude.

One certainly greater than any ever before imposed upon this country, with the exception of the war debt.

The purchase of a defined piece of railway property is one thing. The buying of stock in a company with unascertained assets and unknown liabilities is another.

Once the Government becomes the principal owner of the common stock, it must provide out of loans for taxes due or to become due, and for all future losses in operating.

The estimates of expenditure still necessary to be made run into enormous figures.

No one knows what the real extent of its obligations are. The railway has bonds outstanding and debts unpaid; so have its subsidiaries.

There are guarantees given by it to other companies, unpaid balances on contracts and upon accounts, but to what extent is unknown. What its assets are is equally unknown.

It operates and is interested in railway companies, land companies, telegraph companies, tunnel companies, lumber companies and hotel companies, but no one knows how far it owns them, what their assets or liabilities are, nor to what extent the railway company is responsible for their liabilities.

No other railway company nor any other group of business men would consider such an acquisition except after elaborate examination and reports from accountants and appraisers on the assets and liabilities, and then only subject to a solvent guarantee that all supposed assets would be delivered, and that no underclosed debts or obligations would appear. To find out these things, where such examination and guarantee cannot be had, the usual course in the United States has been to place the road in the hands of a receiver, whose staff can ascertain them and place before those interested an accurate and clear statement.

Systems quite as large, notably the Union Pacific, the Atchison, Topeka nad Santa Fe, and the Rock Island, have in the United States been through this process and have emerged from it with the capital written down to correspond to the actual values, in a solvent condition, and able to perform their duties as public servants.

The only examination so far had into the affairs of the Canadian Northern has resulted in the opinion of two out of three railway experts that the stock proposed to be purchased was worth nothing. This means that whatever its nominal value may be, the unsecured debts are more than enough to prevent its being sold to any reasonably prudent purchaser. In view of the fact that no money was paid to the company for the stock, and that the company has never been able to earn anything upon it, there was and is no reason to expect any other result from examination.

No agreement or obligation to purchase is produced. In fact, nothing has transpired, except verbally, and then between members of the Government not named and persons whose names are not disclosed. In fact, what is to be paid, who is to get paid for it, what the cost and the attendant obligations are, no one knows. The smallest transaction in common life could not be concluded in such a way, and any attempt to do it by trustees responsible to a court would unquestionably be a breach of trust, and this is the largest and most onerous undertaking ever contemplated by any Canadian Government, and the most risky. It is safe to say that no road capitalized above its earning power can ever be a useful public servant, nor can any road bought by a Government for more than its worth ever be anything but a continuous drain on the taxpayer.

The Canadian Northern Railway was built as a private speculation. Its bonds were sold to financiers at a discount. No money was received into its treasury for its stock. Nothing has been made public which would justify the taxing of other citizens of this country for the purpose of giving fictitious value to these bonds and stocks. The interest and other charges in Canada due to the war increase every day, and even now are so great that it is difficult to say from what source they can be paid without an economic strain never hitherto undergone and a cutting down of expenses not yet even begun.

The credit of the country abroad is less than it has ever been. The last loan of $100,000,000 at 6 per cent. for two years, netted only $96,111,111. In other words, the country is borrowing money at a charge of more than 8 per cent. per annum. Note.—According to the Hamilton Times of August 17th, Sir Thomas White stated the net proceeds to be $96,250,000, not $96,111,111, and that the commissions and charges were 1¾ per cent. He was speaking of a two-year 5 per cent. loan. The cost would be 8 per cent. if the 1¾ per cent. comes out of the $196,250,000, but not otherwise. Its future credit may depend entirely on the belief of foreign bankers that good money will not be sent after bad, and that speculative enterprises will be allowed to find the financial level called for by their intrinsic merits.

The undersigned, all of whom as investors, have a stake in the prosperity of this country, desire to call the attention of their fellow-countrymen to the grave risk they all are running of having their own earnings diverted for the purpose of securing profits to bondholders and stockholders of a concern, the equity in whose enterprise has been declared by the only people at all in a position to form an opinion to be of no value. It is also urged that the strongest possible protests be made before it is too late to all senators and members of Parliament."

HEAVY BANK CREDITS.

One of the bank head offices tells THE POST this week that there is a tendency on the part of business people to carry the largest possible stocks, the result being that many of them are asking for 25 to 100 per cent. larger bank credits than normal. The banks, of course, are trying to discourage this tendency while giving their customers all the credit really needed.

DIVIDENDS DECLARED

DIVIDENDS DECLARED.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF TWO-AND-ONE-HALF PER CENT., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Saturday, the FIRST DAY OF SEPTEMBER next, to Shareholders of record of 31st July, 1917.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR
General Manager

Montreal, 20th July, 1917.

The Royal Bank of Canada

DIVIDEND No. 120.

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of Twelve per cent. per annum) upon the Paid-up Capital Stock of this Bank, has been declared for the current quarter, and will be payable at the Bank and its Branches on and after SATURDAY, the FIRST DAY OF SEPTEMBER next, to Shareholders of record of 15th August.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal. P.Q., July 17, 1917.

The Canadian Bank of Commerce

DIVIDEND No. 122.

NOTICE is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending the 31st of August next, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st September, 1917, to shareholders of record at the close of business on the 16th day of August, 1917.

By order of the Board,

JOHN AIRD,
General Manager.

Toronto, 28th July, 1917.

The Molsons Bank

148th DIVIDEND

THE Shareholders of The Molsons Bank are hereby notified that a Dividend of TWO AND THREE-QUARTERS PER CENT. (being at the rate of eleven per cent. per annum) upon the capital stock, has been declared for the current quarter, and that the same will be payable at the office of the Bank, in Montreal, and at the Branches, on and after the

FIRST DAY OF OCTOBER NEXT,

to shareholders of record on 15th SEPTEMBER, 1917.

THE ANNUAL GENERAL MEETING

of the Shareholders of the Bank will be held at its banking house, in this city, on MONDAY, the 5th NOVEMBER next, at three o'clock in the afternoon.

By order of the Board,

EDWARD C. PRATT,
General Manager.

Montreal, 21st August, 1917.

The Bank of Nova Scotia

DIVIDEND No. 191

NOTICE is hereby given that a dividend at the rate of fourteen per cent. per annum on the paid-up capital stock of this Bank has been declared for the quarter ending September 30th, and that the same will be payable on and after Monday, the 1st day of October, next, at any of the offices of the Bank.

The stock transfer book will be closed from the 17th to the 30th proximo, inclusive.

By order of the Board.

H. A. RICHARDSON,
General Manager.

Halifax, N.S., August 17th, 1917.

The McKinley-Darragh-Savage Mines of Cobalt, Limited

NOTICE is hereby given that the Board of Directors of this Company, at a meeting held on the 7th day of August, 1917, declared the regular quarterly dividend of three per cent., payable on the 1st day of October to stockholders of record at the close of business on the 8th day of September, 1917.

The transfer books of the Company will not be closed.

McKINLEY-DARRAGH-SAVAGE MINES OF COBALT, LIMITED

Harper Sibley, Treasurer

Dated at Toronto, Ontario, August 7, 1917.

Dominion Glass Company, Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. (1¾%) has been declared on the Preferred Stock of Dominion Glass Company, Limited, for the three months ending the twelfth day of September, 1917, payable Monday, the first day of October, 1917, to shareholders of record at the close of business Wednesday, the twelfth day of September, 1917.

By order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 16th August, 1917.

Smart-Woods, Limited

NOTICE OF DIVIDEND

A DIVIDEND of One and One-Quarter per cent. (1¼%) on the Common Stock of Smart-Woods, Limited, has been declared, payable September 1st, 1917, to shareholders of record August 28th, 1917.

By order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer

Montreal, August 17th, 1917.

Lake of the Woods Milling Co., Ltd.

DIVIDEND NOTICE

NOTICE is hereby given that quarterly dividends of 1¾% on the Preferred Stock and of 2% on the Common Stock of Lake of the Woods Milling Company, Ltd., have been declared, payable on September 1st, 1917, to shareholders of record at the close of business on Saturday, August 25th, 1917.

By order of the Board.

R. NEILSON,
Secretary

Montreal Tramways Company

ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Montreal Tramways Company will be held at the Company's Office, Street Railway Chambers, 78 Craig Street West, at twelve o'clock noon, on Friday, the 31st day of August, 1917.

The Transfer Books will be closed from the 12th day of July to the 1st August, both days inclusive.

By order of the Board.

PATRICK DUBEE,
Secretary-Treasurer.

June 27th, 1917.

ADVANCES IN PAPER PRICES UNJUSTIFIED

Federal Trade Commission's Findings on the Prices of Book Papers Issued.

SAYS THEY ARE EXCESSIVE

Calls Attention of Congress to the Necessity for the Enactment of Legislation Curbing Trade Associations.

The report of the Federal Trade Commission, giving the results of its investigation of the book paper industry, has been submitted to the United States Senate. This amplifies and completes the preliminary report issued last June.

In 1916 it is stated, there were approximately 40 companies operating 70 mills, the output of which probably aggregated more than a million tons, valued at $87,000,000. Contracts made by 23 manufacturers in the last half of 1916 averaged 85% higher for machine finish, 66% higher for super-calendered, and 65% high for coated book paper than in 1915. The percentage of increase in current prices except on coated paper for sales to publishers in several large centers was even higher. The average cost of manufacture of 39 principal book paper mills for 1916 was $7.63 per ton higher than for 1915. The increase in particular mills ranging from less than $2 per ton in several paper report cases to more than $20 per ton in the most extreme case. Costs were rising throughout the year, however, and for 24 mills for which cost data were secured for the first quarter of 1917, the increase was $17.35 per ton greater on the average than for same mills in 1916. The average profits per ton of 39 principal book paper mills were nearly 100% higher in 1916 than for 1915.

Profits Larger.

The margins of profit of paper jobbers on book paper sales were generally much larger in 1916 than in 1915. The average increase in margins on current sales of machine finish book paper for the fourth quarter of 1916 over the third quarter of 1915 was 492% for Boston jobbers, 200% for the principal New York jobbers, and 20% for Chicago jobbers.

The domestic production of book paper was nearly 20% greater in 1916 than in 1915, but domestic consumption and exports increased more rapidly, so that stocks declined about 50%. Imports, which never have been large enough to be considered, are now practically nothing. The volume of advertising and circulation of the principal publications of the country using book paper showed large increases in 1916 over 1915. The concerted activities of book paper manufacturers, with the effect thereof upon prices charged in 1916 and 1917, were investigated, and the commission has ordered institution of proceedings directed against certain practices which appear to exist in the industry.

100 % Increase.

The average profits per ton of the principal book paper mills increased about 100% in 1916 as compared with 1915. Some mills showed excessively large profits in 1916 and the profits of others were only moderate. The commission secured the book investment of 21 companies, operating 39 mills. On this basis the average profit of these companies on all their operations was 8.7% in 1915 and 21.5% in 1916. Jobbers generally who handled proportion of domestic book paper obtained a larger margin of profit in 1916 than in 1915.

The commission found that book paper manufacturers have kept one another informed of market conditions, prices, etc., so that prices were advanced simultaneously without fear of competition. While ostensibly the duties of the secretary of their Bureau of Statistics have been to compile and distribute certain statistical information, his principal efforts would appear to have been devoted to encouraging members to increase their prices.

The commission concludes that the advance in prices of book paper in 1916 was excessive and not justified either by the increase in cost or by the changes in conditions of supply and demand. The advance was brought about in part by activities of members and the Secretary of their Bureau of Statistics.

Government Control.

Under its recommendations the commission stated: "In its preliminary report of this investigation the commission recommended as a war emergency measure that all print paper mills and distributing agencies be operated on Government account during the continuation of the war, and that the total product be pooled in the hands of a Government agency, so that it may be equitably distributed at a fair price, based upon cost of production and a reasonable profit per ton. These recommendations the commission wishes to renew, since it believes that under existing abnormal conditions immediate relief to publishers can only be obtained by the adoption of some such legislation.

"The commission also desires to call the attention of Congress to the necessity for the enactment of legislation regulating the activities of trade associations. The print paper and other investigations of the commission show that trade associations although originally organized for purposes and often engaged in helpful activities which serve a useful purpose, nevertheless some of them indulge frequently in practices which tend to destroy competition and defeat the objects of the Sherman Law.

"The commission's print paper investigations show that the activities of the trade associations connected with the newsprint and book paper industries have contributed to the rise in the price of these commodities, and that the effective regulation and supervision of such activities by some Governmental agency would tend to restore healthy competition in these industries and thereby to reduce prices to a more normal basis."

FINANCIAL ASPECT OF THE NEW EMBARGO.

Continued from page 1.

canners be compelled to finance the whole undertaking until such times as the embargo was removed?

That was Mr. Gordon's interpretation of the probable result. If this were the case, he believed that there would be a still more serious situation to be faced. That was the matter of transportation. The matter of handling perishable goods in the late fall or winter was always a serious problem. Last year with a small pack, and with the distribution begun early in the packing season, it had been found impossible to distribute the Western requirements in canned goods before the cold weather set in. This necessitated shipment in heated refrigerator cars, which, of course, added to the cost of the goods. Moreover, owing to the scarcity of railway equipment, it had not been always possible to get this protection, with the result that the losses from frost proved a not inconsiderable item. They had been given to understand that rolling stock would be shorter than ever this year, and with the restriction of sale it would probably be that distribution could not begin till the approach of the close of the prohibited limit. It was obvious how materially this would complicate the situation.

Mr. Gordon admitted that a change from the three month embargo, proposed by Mr. Hanna, to a briefer period might in so much ameliorate the situation.

Who Will Bear Cost?

R. L. Innes, general manager of the Dominion Canners, when questioned by THE FINANCIAL POST, stated that it was impossible to judge just at the moment. It would depend entirely on the attitude of the retailer. It might well be that, in view of the situation, the retailer would refuse to accept delivery of goods, in the anticipation of a possible lower price following the period of embargo. If this were the case, then the canneries might be compelled to carry these stocks of canned goods until the expiration of the embargo. It was the custom, of course, to ship goods as packed, and as a result canning factories had no facilities for storing, and the providing of such facilities would be a serious element. As far as the disposal of the pack went, he did not believe that the canners would be faced with any difficulty on account of the curtailment of selling time. The pack up to the present had been very light. The two biggest items—corn and tomatoes, had still to be packed, and it was, of course, impossible to foretell how this would turn out, but there was no difficulty anticipated in disposing of the whole pack.

H. C. Beckett, of R. J. Gillian & Co., Hamilton, Ont., thought that this embargo might well prove a serious blow to the canning interests. The farmers had been urged to produce extra crops for the canneries, and the canners had been encouraged to provide for large packs. Such an embargo, he thought, would naturally be looked upon with suspicion by the farmer. It was too late to be a serious element this year. But next year when production for canneries was just as imperative, the farmer was likely as not to remember this embargo, and fear a more serious embargo, and so curtail his crop to meet this possible situation.

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Reserve Fund....£1,960,000 Together £3,960,000
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Total Capital and Reserve £7,960,000
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MONEY, BANKING AND EXCHANGE

Bank Clearing Returns Show an Improvement Over Previous Week—For the Dominion the Gain Was 16.2 per cent.

Official returns of bank clearings as made to the FINANCIAL POST for the week ending Thursday last, totalled $220,852,032 compared with $190,046,388 for the corresponding period in 1916, an increase of $30,805,644, or 16.2 per cent., and compared with the figures for the previous week show an increase of $9,367,436. In the East the gain was 26.5 per cent., while in the West there was a decrease of 4.3 per cent. Winnipeg showed a decline of $9,900,463, the other cities to show a decline being Brandon and St. John. In the West the cities to show the largest percentage gain were Calgary, Lethbridge, Medicine Hat, Edmonton and Saskatoon, while in the East, Halifax, Toronto, Hamilton and Montreal also showed substantial gains. For the year to date, the gain was 25.3 per cent. Comparative figures follow:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	Aug. 23, 1917.	Change.	%
Montreal	$ 81,605,865	+$ 16,593,308	25.5
Toronto	55,081,600	+ 12,528,854	29.4
Ottawa	5,261,137	+ 938,109	21.7
Hamilton	4,776,879	+ 990,238	26.1
Quebec	4,265,972	+ 783,484	22.2
Halifax	2,978,335	+ 1,009,526	51.2
London	1,953,662	+ 295,367	17.8
St. John	1,851,867	— 2,150	.1
Brantford	708,890	+ 157,245	2.8
Peterboro	625,115	+ 106,418	2.0
Sherbrooke	597,950	+ 70,006	13.2
Kitchener	528,578	+ 101,643	23.8
Total, East	$160,235,850	+$ 33,572,048	26.5

Western Cities.

	Aug. 23, 1917.	Change.	%
Winnipeg	$ 32,786,614	—$ 9,900,463	23.1
Vancouver	9,284,051	+ 2,734,051	4.1
Calgary	6,420,286	+ 2,553,533	66.0
Edmonton	2,294,963	+ 443,780	23.9
Victoria	1,625,920	+ 101,264	6.6
Regina	2,670,535	+ 274,659	11.4
Saskatoon	1,503,994	+ 279,937	22.8
Moose Jaw	1,057,409	+ 158,526	17.6
Ft. William	646,388	+ 110,915	20.7
Brandon	507,960	— 53,884	9.5
Lethbridge	983,117	+ 362,800	58.5
N. Westm'ster.	391,149	+ 61,053	18.5
Medicine Hat	443,846	+ 107,425	31.9
Total, West	$ 60,616,182	—$ 2,766,404	4.3
Grand total	$220,852,032	+$ 30,805,644	16.2
Yr. to date	$7,895,891,413	+$1,598,478,583	25.3

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending August 16 aggregate $5,958,233,000, against $5,211,804,000 last week and $4,306,184,000 in this week last year, an increase of 38.3 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:

(000's omitted)

	Aug. 16	I. or D.	Aug. 9
New York	$3,636,997	I 45.5	$2,989,947
Chicago	455,010	I 18.9	442,356
Philadelphia	297,888	I 28.1	304,027
Boston	251,765	I 54.5	203,438
St. Louis	128,975	I 34.0	121,920
Kansas City	143,347	I 36.2	156,970
San Francis.	102,360	I 45.6	92,800
Pittsburgh	68,939	I 19.0	67,155
Cleveland	70,326	I 43.4	63,984
Detroit	65,540	I 14.1	56,139
Baltimore	43,341	I 15.7	43,399
Cincinnati	40,789	I 23.4	40,541
Minneapolis	24,122	D 15.0	21,980
New Orleans	30,588	I 49.8	30,266
Los Angeles	28,062	I 6.9	26,663
Omaha	30,341	I 18.0	30,318
Milwaukee	24,873	I 27.0	24,150
Atlanta	22,867	I 91.2	21,647
Louisville	19,481	I 19.5	18,582
Richmond	26,789	I 68.8	27,152
Buffalo	18,601	I 24.5	19,282
Seattle	23,246	I 48.3	22,589
St. Paul	11,567	D 15.0	11,788

MONEY.

Money rates in London have ruled steady all week at 3¾%, which is the same level as last week. In New York the ruling rate has been 3%.

British observers are viewing with no little concern the constant drift of gold from the United States, notably to Japan and Spain, and to some extent also to South American countries. They recognize that the movement is caused by unfavorable trade balances of the Allied nations and that loss of the metal by the United States will in the end react on them, as they will be able to maintain the stability of the foreign exchanges only by continued exports of metal to America. The London *Statist* discusses the the matter at some length and suggests that the question be taken up by the United States and Great Britain, with a view to arriving at some definite agreement for the control of gold exports from the United States. It says:

"Is it not time that the United States and this country (Great Britain), at all events, came to some very clear understanding with regard to the part to be played by gold in settling international balances? It must be remembered that for some time past now, we have exercised great care with regard to the amount of gold we allow to drift away, and as a consequence, no doubt, we have suffered some additional shrinkage in the foreign exchanges, which, in turn, must have affected the prices we have had to pay for our imports. So long as America was a neutral we should not like to have suggested that she curtail her exports of gold, because that course is always distasteful to any great monetary centre. Now, however, what is required is that America and Great Britain should mutually decide to pursue such a course in the matter of the settlement of international balances as shall be most helpful to the financial conduct of the war, having regard to the possibility of its long continuance.

"Moreover, it is not as though the gold shipments from the States arose directly through the indebtedness of America to the countries to which the gold is despatched. Rather is it a question of the adverse trade balance against the Allies as a whole, producing conditions in the international exchange markets which offer a profit on such gold shipments from the States as a purely exchange operation. Inasmuch, however, as the net result is to bring increased strain upon this centre, which already has to bear the brunt of the financing of of the war, the matter is one which requires careful consideration by by those here and in the States who have such great responsibilities in all that pertains to war finance. The matter is, we admit, a complicated one, but we have referred to it at some length this week because we are persuaded that it is a point which may materially affect the future of the London money market."

EXCHANGE.

There has been practically no change during the week in the position of demand sterling, which has been quoted fairly steady at 4.7555. Cables have also been unchanged at 4.76 7/16.

Francs opened the week at 5.78 and 5.76⅞ for demand and cables respectively, a small decline from last week's close. There was an improvement on Wednesday to 5.77 and 5.76, with a decline on Thursday to 5.77½ and 5.76⅜.

Russian roubles have been subject to greater variations. Opening on Monday at 20.90 and 21.00, they advanced on Tuesday to 21.00 and 21.10, and on Wednesday to 21.10 and 21.20. Thursday, however, witnessed a reaction to 20.90 and 21.00.

New York funds have fluctuated. On Monday, quotations were ⅛ to 5/32 % premium; on Tuesday 3/32 to 5/32 % premium; on Wednesday, ⅛ to 5/32% premium; and on Thursday 3/32 to ⅛ % premium.

COMMERCE.

Lieut. Gordon Chisholm, formerly an accountant in a Toronto branch of the Canadian Bank of Commerce, is reported as being wounded. Lieut. Chisholm went overseas with the 92nd Battalion and reverted in rank to get to the front.

ROYAL.

During July the total assets of the Royal Bank of Canada increased by $7,260,609, according to the monthly statement to the Dominion Government. The total assets of the bank now stand at $290,757,506. Liquid assets also increased during the month, amounting to $137,177,611 as at July 31, as compared with $130,558,733 at the end of the previous month. Cash on hand and in banks increased nearly $4,000,000 to $58,343,166. The total in Government and municipal securities was nearly $5,000,000 larger than at the end of June, amounting to $26,299,499. Bank deposits totalled $238,879,711 at the end of July, as compared with $233,525,890 as of June 30.

Frederick T. Walker, who has been manager of the St. James Street office of the Royal Bank of Canada in Montreal, has been appointed manager of the New York agency of the bank and will leave shortly to assume his new duties.

MOLSONS.

The directors of the Molsons Bank have declared the regular dividend of 2¾ per cent., payable October 1, to shareholders of record September 15.

MERCHANTS.

Manager Conn, of the New Toronto branch of the Merchants Bank, recently stated that plans are under way for a modern two-storey brick bank at the corner of Ninth Street and the Lake Shore Road, on the south side. The lot, which has already been bought, measures 40 by 100 feet.

UNION.

Percy Wood, for several years with the Shaunavon branch of the Union Bank has taken over the duties as manager of the branch at East End, Sask.

George Patterson, manager of the East End, Sask., branch of the Union Bank, has been transferred to the head office of the bank at Winnipeg.

The new bank building which the Union Bank has been erecting in north Winnipeg at the corner of Selkirk and Salter, is now practically complete and the staff will occupy the premises on September 1. The structure is a credit to the bank and an ornament to the neighborhood. It is the full size of the lot, two storeys in height, of brick and stone, with office above, the entire ground floor being devoted to the banking chamber.

The Union Bank is also building at the present time in Calgary. Excavation work has already been commenced on the site on Scarth Street in that city, and the building permit has been issued calling for an expenditure of $86,000 to cover a building of three storeys and basement measuring 90 by 50 feet.

NOVA SCCOTIA.

The Bank of Nova Scotia has declared its regular quarterly dividend of 3½ per cent., payable October 1, to stock of record September 15. Books close September 17 to 30.

STANDARD.

Pte. F. G. Davidson, of Toronto, who prior to going overseas in October last was employed by the Standard Bank, is reported as being wounded by gunshot in the ear and neck on August 9th. Pte. Davidson was previously wounded in the arm in September last and went back to the trenches in March last.

MONTREAL.

The Bank of Montreal announces the closing of the branch at Athalmer, B.C., on the 15th inst., and collections at that point will be sent to the branch at Kamloops.

Lieut. Jas. Archibald Wylie, of the 92nd Battalion, is reported as having been killed in action. Lieut. Wylie was formerly an accountant in the Bank of Montreal at Edmonton. He enlisted with a Hamilton battalion. As a member of the 92nd Battalion he qualified for his lieutenancy and was appointed orderly to Gen. Logie.

CHASE NATIONAL BANK.

Stock of the Chase National Bank has been stricken from the New York Stock Exchange's trading list. The removal is due to the fact that the stock has been deposited with the Bankers' Trust Company in connection with the formation of the Chase Securities Company.

DOING THEIR BIT.

War Service of Union Bank Staff Receives Approbation.

The current issue of the *Bankers' Magazine*, published in New York, in its department, "How bankers are doing their bit," contains the following article which will be of interest to Canadian bankers:

"When the history is written of the war period activities of Canadian banking institutions, a notable chapter will be contributed by the Union Bank of Canada, whose New York agency is at 49 Wall Street. Every monetary function of the chartered banks of Canada has been employed in financing the war burden. The Union Bank of Canada, like all Dominion institutions, has done its quota in the granting of impressive Imperial credits in the active co-operation with the Finance Minister, toward the fullest prosecution of the war, and in proportionate participation in domestic war loans, toward whose success the banks helped so materially.

"Remarkable as have been the war time energies of Canadian banks from the viewpoint of finance, there is an equal—one may reasonably say greater—interest in the contribution of manhood to the cause. The Union Bank of Canada has an honor roll made up of 715 names. That is to say, since the outbreak of war, 715 officers have volunteered for active service. Of these, up to the present, 55 have been killed in action, 38 are wounded or missing.

"With such a drastic depletion of the male staff as has resulted from the enlistment of bank officers for overseas military service, a somewhat amazing change has been wrought in the personnel of the staff. At the outbreak of war, apart from the women acting in the capacity of stenographers, there was not a woman employed. The Union Bank of Canada's present staff consists of 1,575 members in 310 branches, of whom 427 are women.

"Signal distinction has come to the Union Bank of Canada through two members of the board of directors assuming higher-up military commands. Lieut.-Col. Sir William Price, honorary president, and Major-General Sir John Carson, C.B., of Montreal, a director, have both achieved military prominence. Major Hume Blake, of Toronto, is also a director. Sir William Price and Sir John Carson were among a distinguished party of Canadian bankers who officially visited the New York agency of the Union Bank during July.

"King George conferred a knighthood upon Major-Gen. Sir John Carson, C.B., in recognition of special services. Sir John went to England from Canada almost immediately following the outbreak of war. He was the special representative of the Minister of Militia in London until a short time ago, when he returned to Montreal after being honored by his Sovereign. Sir John's military record dates back to 1891, when he joined the Fifth Royal Highlanders in Montreal as a second lieutenant. His interest in the Canadian militia never waned. When he went overseas in 1914 he held rank as lieut.-colonel. He was promoted temporary brigadier-general in May, 1915; temporary major-general in September, 1915, and major-general in December, 1916.

"Lieut.-Col. Sir William Price was chosen at the opening of the war by the Minister of Militia to open and organize Valcartier Camp, the training ground of the First Canadian Contingent, whose fame in this war is far-flung. Sir William's military interests began in 1886, when, as second lieutenant he joined the Eighth Royal Rifles, retiring after five years. But with the outbreak of the Boer War he rejoined his old regiment and raised two new companies. Following his success in aiding the quick dispatch of the first Canadians to England in the autumn of 1914, Sir William devoted his energies to recruiting. In December, 1915, he undertook a recruiting tour to the lower part of the Province of Quebec, later offering to raise a regiment. This offer, being accepted by the military authorities, the battalion was duly raised, and Sir William in command, left with his men in November, 1916, for overseas. On arrival in England this regiment, the 171st, was broken up. Sir William stepped down from his command and went to the front with a railway battalion, having rank as captain. At the front he earned his promotion, once more becoming lieut.-colonel, and attached to the Fourth Canadian Division. Sir William later returned to Canada, and since has been giving his attention to his very extensive lumbering business in Northern Quebec."

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Capital Paid Up	12,911,700
Reserve and Undivided Profits,	14,324,000
Total Assets	295,000,000

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Manufacturers Faced With Uncertainty as to Purchase of Raw Materials.

TO BUY OR NOT TO BUY

Where These Goods Have to be Bought Many Months in Advance of Actual Selling Period, Problem is Difficult.

The high prices of raw materials which give no signs of starting on the inevitable decline are puzzling many of the mills in Canada at the present time, and seem certain to limit seriously the output in the near future, in order that heavy losses may be averted that would follow if the ordinary operations were carried on as before the war or even according to the practices that have obtained up to the present in the face of a steadily rising market. The problem that confronts hundreds of industrial concerns at this moment is to what extent they are warranted in continuing to purchase the raw materials that they have been accustomed to secure months in advance of the actual selling period. If they stop for safety sake and assume a hand-to-mouth attitude so as to make sure of the market close up to the selling season, they will lessen the output and delay deliveries and make it impossible for the houses from whom they secure this material to carry on, in advance, the preparation of these raw materials. In many cases prices are withdrawn, mills are refusing to take orders for deliveries beyond immediate demands, the wholesaler finds it difficult safely to accept orders from retailers where the mills will not give him a future price on the lines that he wishes to re-sell, and altogether industrial conditions seem to be moving towards a point in many lines of manufacture where operations will be seriously contracted.

Will the Public Buy?

Another point that adds to the difficulties of judgment is the uncertainty as to the attitude of the buying public, or the "consumers" as the trade prefers to call them, even where the article "consumed" is clothing, or house furnishings.

An instance of conditions was brought before FINANCIAL POST this week in an interview with a director of Canadian Converters. This firm has two main lines of manufacture, men's and women's goods, the former including shirts, overalls, boys' wash suits, etc., and the latter, ladies' underskirts, blouses, dresses, and a number of similar lines for children. In the case of men's goods the buying of fabrics is under way at this time for made-up lines that will not be sold to the public until the Fall of 1918, a full year away.

"What are we to do in the case of overalls, for instance?" remarked an official of the company. "The prices are awful. For an 8-ounce denim that we paid 14 cents for, 18 months or two years ago, the mills are charging us 34 cents for next Fall. This means that overalls that we sold before the war at $7.25 cents a dozen, will cost us $15.50 for material alone for next Fall, and we cannot sell to the jobber for less than $22.50 a dozen, three times the pre-war price. What are we to do at this time? Should we go ahead and buy a large quantity? Suppose in a few months before these are sold and delivered the market goes crash, where will we be with a stock of goods on hand that cost us top prices? We simply don't know how to buy. What the average mill will be forced to do from now on is to buy lightly, for it is far better to be caught short with goods and be unable to supply the trade, than to be caught with a stock that was bought at the high level of prices. There is one thing that will ease the situation, at least we are hoping so, and that is that in spite of all predictions to the contrary the drop in prices will be gradual after the war closes, at least those into which the element of labor has entered; those that are at least one stage removed from the basic raw materials.

"The other point that is bothering us is that to what extent the terribly high prices are going to cut down the buying of goods. We have been expecting that this would be operating long before this but to the general surprise of the trade there is practically no sign of this yet. Where the people are getting the money amazes us."

An official of one of the leading milling companies in Canada presented several points somewhat related to those of the clothing house, but with essential differences that pertained especially to the making of flour.

"Under normal conditions the mills lay in a stock of flour to cover a considerable portion of the year that lies before them, and thus are able to make contracts covering half a year or a year with the big bakers. Of course they are taking chances that the wheat they buy in advance will not go down in the meantime but they are forced to this amount of speculation by the demand of the bakers who play off one mill against the other. In one case a Canadian mill is credited with doing a little more speculating than the legitimate demands of customers provided for, and of cleaning up $1,500,000 in a re-sale of the wheat. The future contracts on the wheat are taken of course in the form of options.

Buying of Futures.

"Under present regulations this buying of futures in wheat is prohibited in Canada and the mills, even if they would, are not allowed to provide for future supplies of their raw materials. Thus they cannot, unless they are willing to take a huge risk, quote the bakers for any length of time ahead.

"There is another confusing element just now, the possible action to be taken by the Food Controller. We do not know whether he will order a standard grade of flour, nor whether he will compel the mills to mix rye and other grains as well as wheat, as is done in much of the flour in England. Nor do we know what will become of our "brands" that we have been pushing and expending large sums to popularize during years. Nor do we know how he could fix a price for flour without fixing a price for wheat, and if a price for flour is fixed will he define the grade of flour that is to be sold at that price, for the mills would have to lower the standard to meet the lowering of the price.

"Mind you, we do not think that the mills will be forced to operate at a loss under any circumstances that may arise, but I am only pointing out that present conditions in the milling trade are such that it is impossible for us to make the plans for the future that have been made in the past and must be made if our plants are to be operated at anything like their normal capacity, both as to the quantity of the output and the profits that accrue from these

AN AMALGAMATION.

Grain Growers' Grain Co. and Alberta Elevator Co. Are Combined

At a special meeting of the shareholders of The Grain Growers' Grain Co., Limited, held in the Industrial Bureau, Winnipeg, the amalgamation of that company with the Alberta Farmers' Co-operative Co., Limited, was completed. After September 1 the two companies will cease to exist in name and United Grain Growers' Limited, will take their place. By-laws governing the new company, drawn up by the joint boards of directors of the two old companies were passed at the meeting, and a board of directors was elected to direct the affairs of the new company until the annual meeting is called.

The new board consists of: T. A. Crerar, C. Rice-Jones, John Kennedy, R. McKenzie, F. J. Collyer, J. F. Reid, John Morrison, C. F. Brown, E. J. Fream, J. J. McLellan, R. A. Parker and P. S. Austin.

Eleven years ago the Grain Growers' Grain Co. started in business in a small way. For the first few years it struggled under handicaps and difficulties.

In 1913 the Alberta Farmers' Co-operative Elevator Co. was formed. Both concerns prospered, and now United Grain Growers, Limited, has developed out of the call for a closer co-operation among the farmers' companies of western Canada. The union gives farmers a company of their own with more than 32,000 shareholders, over $3,000,000 assets, upward of 300 country elevators, terminal elevators at Fort William and Port Arthur with a capacity of over 3,000,000 bushels, implement and supply warehouses at Winnipeg, Regina and Calgary, and livestock commission departments in Calgary, Edmonton and Winnipeg.

At the meeting the shareholders were unanimous in sanctioning a development programme outlined by the directors. A sawmill is now in course of construction, and will be completed at as early a date as possible on timber limits owned by the company in British Columbia, and large distributing warehouses are being erected on properties recently purchased in Elmwood and Calgary.

Within a short time the Winnipeg offices of the new company will occupy five floors in the new Bank of Hamilton building, corner Main street and McDermot avenue.

EXPORT PAPER BUSINESS SURE TO INCREASE

Developments in the United States That Are Bound to Influence Market.

VIEWS OF A SALES MANAGER

Newspaper Circulation and the Publication of War Books Will Increase as Participation in War Deepens

Following upon the slight depression that developed in the pulp and paper business with the United States during the summer months Montreal paper men are looking for a brisk resumption of orders as soon as the business profits legislation is decided upon definitely, and industries, freed from the present uncertainty, feel free to resume an active course. This should be good news to the holders of securities, for it will mean that the mills will not only hold the high record that was made during the past year but may even eclipse it, a result that up to the present has not been anticipated in many quarters. The reasons for the confidence of the paper men was thus set forth by a sales manager of one of the largest mills in Canada in an interview with FINANCIAL POST:

"One of the chief elements of course in the sale of newsprint and pulp is the circulation of newspapers. Up to the present the increase due to the war has been comparatively small in the United States, not so much as compared with what it was before, as with what it is certain to become. That nation was not really in the war until now. From a newspaper circulation standpoint they will not really be in the war until the first casualty lists begin to come over the wires, —then, as was the case in Canada, they will go circulation wild. This increase in the interest of the people in the war is a personal one, where before it was mainly a commercial matter, and is just beginning to manifest itself with the intensive movement of United States troops to Europe. There will be a tremendous increase in the demand by the papers for newsprint and a corresponding increase in the demand upon Canadian mills for both newsprint and sulphite and ground wood pulp.

War Books

"There is another direction in which demand will develop that will help, not the paper, but the pulp industry of Canada. In the making of war books. Only those in close touch with the trade can have any conception of the difference that the public demand for a closer acquaintance with the war map of Europe will exert upon the circulation, and printing, of war publications of all descriptions, books, magazines, etc., and this will mean a huge increase in the sale of Canadian sulphite pulp and other paper making materials.

"Moreover as soon as the details of the war profits taxation have been worked out there will be a livening up of all trade and this will react favorably on the paper business.

"There is another point that will tend to create at once a heavy demand for both paper and pulp from Canada. As soon as military matters get under way all the mills and jobbers know that there will be a curtailment in the movements of other kinds of freight that do not come under the head of war materials, and in many cases the railways will be forced to bring embargoes into effect. To be prepared, therefore, many of the mills and factories will order all the supplies that they can secure well in advance. This will mean larger business for the Canadian mills than might otherwise be anticipated, and will include ground wood as well as sulphite, for the former is coming to be used more than before in the making of book papers with the increasing costs of paper.

Removal of Embargo.

"There is one more element that looks favorable from the Canadian standpoint,—the removal of the embargoes between England and Sweden. So far as we have heard an arrangement has been reached by which Sweden allows her bottoms to take pulp over to England provided they return with coal. This while it may mean a slight decrease in the export of pulp from Canada to England will still further cut off the supply of Swedish pulp that has been going to the United States and make the dependence upon Canadian pulp in the States still more pronounced.

"So far as conditions in Canada are concerned, all the paper mills, book and writing as well as newsprint, are busy, and business is holding up well."

Inquiries among the mills showed that while they expect that the export business will improve greatly with the United States they are not looking for further increases in prices of pulp or book and writing papers at all events. Some feel that a slight advance in newsprint will be allowed when the findings of Commissioner Pringle are acted upon, but it may well be that the form in which the prices of sulphite and ground wood pulp were presented through the Commission will tend to prevent any further advances in spite of heavy and growing demands for these products for export. And this feeling is met in the United States to an even greater extent than in Canada as a result of the pronouncements of the Federal Trade Commission.

CAPE BRETON COAL.

Production For First Six Months of the Year Shows Slight Decrease.

The amount of coal produced by the collieries of Cape Breton for the first six months of 1917 is estimated at 2,500,000 tons, a slight decrease compared with the corresponding months of 1916. Owing to the great demand for coal every effort is put forth to keep up production, but operators are hampered by shortage of labor. There has recently been a conference between the coal operators of the Maritime Provinces and the Dominion Fuel Controller at which all points covering coal output, tonnage, and prices were discussed.

Cape Breton produces five-sixths of the coal mined in Eastern Canada and in normal times 6,000,000 tons were produced in the district, but this year there will be a decrease of nearly a million tons from these figures. A large portion of the Cape Breton coal was formerly sent to the markets of the St. Lawrence River, but the taking over by the British Admiralty of practically all the ships engaged in this trade will reduce the amount of coal going to St. Lawrence River points from 2,000,000 to 200,000 tons.

The operators of Cape Breton have agreed not to increase the maximum prices over $4.75 for run-of-mine and $5 for screened coal for their regular customers in the Maritime Provinces so long as present conditions exist, and in case of necessity of increasing prices the same shall have the approval of the Fuel Controller before going into effect.

The price of coal to ships calling for bunker, unless sold under a previous agreement, has greatly increased, and to-day none is delivered for less than $7.15 per ton, and even at this increased price no coal can be secured without first obtaining a permit from the Fuel Controller.

TEN DOLLAR CERTIFICATES.

A New Series of War Certificates Announced by Finance Minister.

A war savings certificate which will sell at $8.60 and return to the purchaser $10 at the end of three years will be placed on sale immediately at all banks and money order post offices in Canada, according to an announcement by Sir Thomas White this week.

Up to date $10,000,000 has been made available for the purposes of the war through the sale of war savings certificates; over 140,000 certificates in the denominations of $25, $50 and $100 having been sold since last January. During the past several months, sales have ranged from $200,000 to $300,000 a week.

FIRE PREVENTION

Conservation Commission Urges Exhibits at Fall Fairs

The fire chiefs of Canada are alive to the necessity for education of the general public in the enormous number of fires in Canada and the consequent heavy monetary losses therefrom. The fall fairs offer a very favorable opportunity for furthering their educational plan and should be utilized. Exhibits of fire-fighting equipment, short talks on the dangers of careless house-keeping, neglected chimneys, carelessness with lights in barns and sheds, etc., will be helpful. Printed mottoes bearing the information of Canada's annual total of fire losses, as compared with other countries, and the number of lives lost through carelessness in the use of coal oil, gasolene, etc., would be effective.

To-day the fire chief's reputation depends upon his ability to prevent fires, not on his expertness in extinguishing them after they break out. This result can only be achieved by ceaseless education of the public, by continual and rigid inspection of premises for fire risks and by the enforcement of by-laws providing for the abatement of hazardous conditions.

HUDSON'S BAY COMPANY HAS MADE PROGRESS

During Past Financial Year Sales of Farm Lands Much Larger.

TOWN LOTS ARE NEGLECTED

Trading Profits, While Below the Previous Year's Level, Were Still Ahead of Previous Records.

There was a further satisfactory improvement in the results obtained by the Hudson's Bay Company in the past financial year, especially in the land department, according to the annual report presented at last week's meeting in London. The sales of farm lands showed a very large expansion and almost reached the figure attained in 1910-11, while the average prices obtained, though below the record of the years 1912-15, marked a further recovery, and were well above those of seven years ago. Collections on past sales, though somewhat slow, also showed an improvement over those of the past few years. Town lots, however, continue to be neglected, and collections are difficult, the total amount received from this source being still only £9,700, as compared with £4,700 in the previous year. Particulars of the company's land sale results for the past seven years are recorded in the following table:—

Year ended Mar. 31	Farm lands Acres	Sales £	Receipts £
1911	267,037	850,258	633,150
1912	42,554	332,301	369,284
1913	50,581	1,507,382	702,324
1914	26,292	144,650	463,195
1915	16,400	68,634	203,401
1916	79,309	261,604	233,791
1917	254,941	870,050	388,457

It will be observed that last year saw a very marked increase in the acreage disposed of, and that the average price realized was one dollar ahead of the previous year's figure. Naturally, the proceeds of the sales also exhibited a large expansion, and the receipts actually accruing likewise considerably increased.

Retail Business.

In the company's saleshop business the improved conditions which manifested themselves towards the end of the previous financial year continued to prevail in the period covered by the accounts, and, though the net results secured showed some reaction, they must be considered satisfactory. In the following table are disclosed the profits obtained from each branch of the company's business during the past seven years, together with the dividend accruing to the shareholders:—

	Profits Trade Yr. ended Mar. 31 £	Land yr. ended Mar. 31 £	Div. %
1910	166,153	240,045	40
1911	159,965	548,511	40
1912	196,070	273,257	40
1913	222,334	484,750	50
1914	86,686	295,350	40
1915	30,640	2,667	Nil
1916	266,662	24,662	20
1917	251,931*	140,778	30

Trading profits, it will be seen, while below the previous year's level, are well ahead of all previous records, including that of the exceptionally prosperous year 1912-13. The profits from the sale of land are also much above those for the two previous years, though they fall considerably short of pre-war standards. The dividend of 30 per cent., half of which is payable out of land sale profits and the balance out of trading results, is increased by 10 per cent., and the balances carried forward are £20,100, as against £29,300, in the case of the land department and £168,000 in the case of the trading account. It may be noted that while the quantity of furs brought to market in the past year was limited, the prices realized for most descriptions were satisfactory, with the result that from this particular branch of the business a profit of £37,500 was realized, as compared with one of £23,100 for the previous year and a loss of £35,000 in 1914-15.

Decreased Holdings.

In the unsold land in possession of the company a decrease is recorded. At the end of March, 1916, the company's unsold lands amounted to 4,074,704 acres. During the year 254,941 acres were sold, while 21,130 acres accrued to the company under the deed of surrender and 20,607 reverted under cancelled sales. The sales thus exceeded the fresh land acquired by 213,204 acres, and the unsold was accordingly reduced by that amount to 3,861,500 acres. This at the average price realized in the past financial year, represents an asset worth 55,655,500 dollars, or upwards of £11,000,000 sterling. On the other hand, the company's total paid-up capital is £2,999,987, of which £1,999,987 is in Preference shares. The Ordinary capital of £1,000,000 is therefore represented by land assets alone to the extent of slightly over £9 per share. Some important changes are disclosed in the latest balance-sheet. Creditors, for instance, have increased from £1,445,000 to £2,514,500 and sundry credit balances from £15,100 to £243,700. On the other hand, the amount invested in the fur trade, steamers and buildings has risen from £608,100 to £681,200, and that invested in saleshops and other trading from £3,869,700 to £4,700,700. There is also a very notable increase in sundry investments, which have risen from £91,500 to £772,200, but loans against security in London have been reduced from £613,900 to £262,700.

USE WATERWAYS MORE

United States Government Urges This Course to Relieve Railways

In order to relieve as much as possible the transportation burdens now being carried by the railways, the United States Department of Commerce is urging a greater use of the country's waterways. In a statement issued by Secretary Redfield, the following recommendations are made:—

"It is highly important that communities situated on navigable waterways should realize now that they have a patriotic duty to perform. That duty is to make use of these waterways in every manner possible, to the end of lessening the burden of traffic upon our railroads. The latter are now carrying a volume of tonnage unparalleled in history. Further imperative demands are going to be made upon them.

"Not only is it patriotic in communities and individuals to endeavor to lessen pressure upon our railways, but it is economic common sense. Our waterways are a tremendous asset which each community can realize on largely. This can be done in the main at small expense, and in this work the Department of Commerce and the Shipping Board stand ready to aid wherever possible. The wisdom of preparing now will be demonstrated later, and that municipality or district foresighted enough to take steps to use these water highways will reap abundant substantial benefits aside from the merit of having co-operated with the efforts being made to lessen the burdens on the railroads. This latter is no less than a patriotic duty.

"According to a report by the storage committee of the General Munitions Board, in certain of the belligerent countries in Europe the railroads are available for general commercial traffic only one day in seven. This is an indication of what may, in some measure, be expected here when we get into the full swing of this war work. By diverting all unnecessary burdens in the utilisation of our abundant waterways we should be in vastly better position, and commerce generally should not feel the lack of transportation, inevitable if these waterways are not made use of. The Government will thus be facilitated in its colossal task of moving enormous numbers of men, enormous amounts of necessary equipment, baggage, horses, stores, material, munitions, foodstuffs, and freight for export."

All of the foregoing is quite as applicable to Canada as to the United States. The Dominion's waterways should be more used than they are.

GROWING PRODUCTION

Canada's Output of Pulp Wood and Pulp Increases Rapidly

One of Canada's industries which has gone on increasing rapidly during war time is the production of pulpwood and the manufacture of pulp. The total quantity of wood manufactured into pulpwood in Canada in 1916 was over a million and three-quarters cords as compared with one million four hundred thousand cords in 1915. The value of the pulpwood made into pulp in Canada and exported for making pulp abroad was nearly twenty million dollars. Very much more wood is now manufactured into pulp in Canada than is exported in the log form to be manufactured in other countries. A few years ago the reverse was the case.

LUMBER PRODUCTION.

Amount Produced by Mills Operating in Canada in 1916.

The value of the lumber, lath, and shingle output reported by 2,609 mills operating in Canada in 1916 was as follows: Lumber, $58,365,349; lath, $1,743,940; shingles, $5,962,933; total, $66,072,222. In 1916 Canada cut 3,490,550,000 feet board measure of lumber, a decrease of 9.2 per cent. from 1915. The cut decreased in all the eastern Provinces and increased in all the western Provinces as compared with 1915, British Columbia making the most pronounced gain.

The following table shows the quantity and average value per 1,000 feet board measure of the lumber cut in Canada in 1915 and 1916, by Provinces:

	1915 1,000 ft.	1915 Val. 1,000 ft.	1916 1,000 ft.	1916 Val. 1,000 ft.
Alberta ...	17,975	$13.60	18,350	$14.39
B. C.	669,816	12.56	875,937	14.76
Manitoba .	42,357	12.97	57,711	14.74
N. B.	633,518	15.63	513,655	16.32
Ontario ...	1,035,341	18.99	894,050	19.96
N. S.	294,475	14.83	220,718	13.84
P. E. I.....	7,543	15.19	7,331	16.12
Quebec ...	1,078,787	16.49	818,523	16.77
Sask.	62,864	14.00	84,275	14.14
Total	3,842,676	*16.11	3,490,550	*16.72

*Average.

THE FINANCIAL POST OF CANADA

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Vice-President - - - - - - - H. T. HUNTER
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Toronto, August 25, 1917.

CANADA WILL SEE IT THROUGH.

THE obligation upon Sir Robert Borden to strengthen up the Government grows steadily heavier. This week's pronouncement by the Opposition leader makes the issues clearer. The part of the Opposition which the leader represents, evidently does not favor forced military service under any circumstances. The issue is clearly now one of principle. Shall the country through legislation by its elected representatives at Ottawa stand vigorously and promptly behind its boys overseas or shall it dally along for months longer with a voluntary system which is inadequate, inequitable and uneconomic—a system which, acting as a tax on the conscience of the country's best spirits, leaves at home men who for the country's immediate and future good, could better be spared for military service?

But all this increases the Government's responsibilities. If the best people of the country must stand behind the Government it must be a capable and worthy Government behind which they stand. The country is watching the Government with tremendous concern and with great expectations.

A GOOD OMEN.

A NEWS reference is made elsewhere in this issue to the annual report of that pioneer Anglo-Canadian institution, the Hudson's Bay Co. One feature of the report of especial significance at this time when the immigration question is of so much concern to Canada, is the statement of farm land sales for the year ended March 31, 1917. During that twelvemonth the Company sold 254,941 acres of Western Canada land at an average price of £3 8s. 3d. per acre as against only 79,309 acres in the preceding year at an average of £3 5s. 11d. per acre. During this war-time period thus, the quantity sold more than tripled while the price went up as well. The best possible guarantee of a strong financial and industrial position in Canada as the war continues or draws to a close, and munition factories and labor adjust themselves to new conditions, is increased extensive and intensive production from agriculture. The foregoing indication of enlarging immigration is welcome.

SEEMS SHYLOCKIAN.

THE Single Tax Association is an organization supposed to be imbued with a spirit of social sympathy. It is supposed also to be a seeker after and a propagandist for economic truth and presumably for justice for all. The Ontario branch of the Association, according to press reports, has just adopted the following resolutions apropos of the Government's railway legislation:—

"Resolved, that we most emphatically protest against the purchase of a bankrupt railway at the price of a solvent concern, or any payment being made for the common stock of the company; and insist that if the Government, which is now a creditor to the extent of many millions of dollars, finds it necessary to make further advances in order to protect its claims against the company it shall safeguard the interests of the general public by taking over the assets of the company without further payment to the promoters, who have already made enormous profits out of the promoting and building of the road with public money, and have amply recouped themselves for any investment of their own capital and time."

In the first place, it is admitted pretty generally that it is the war which has brought the C.N.R. into its present seriously embarrassed position. Five or six years under ordinary circumstances should have put it into first-class shape. The Single Tax Association protests against any payment for common stock, although the Government is providing a tribunal to see whether in justice there should be any payment or not for the stock. The Association stands sponsor also for the repetition of the old story that the builders of the road have already made "enormous profits" out of the promoting and building of the road "with," as they say, "public money." The Association would be embarrassed if they were asked to demonstrate the truth of either one of these latter statements. THE POST does not hold a brief for the Canadian Northern Railway or for any of those interested in it, but it does think that even the devil should be given his due, and that statements with little or no truth in them should not be made broadcast over the country to the detriment of a great national organization, in which the country, moreover, is now a partner. The use of the term "with public money" is altogether too common also when it is almost entirely a question of a guarantee of bonds, or else a grant of land, which would have practically no value for a great many years to come if it were not for the fact that the railway goes through. It does not seem reasonable that such a public-spirited organization should protest against a public tribunal being established to determine and to do what is equitable. For the sake of their honor the Single Tax Association and some other organizations should appoint a censor for the supervision of their public statements.

Incidentally the following comment on railway affairs this week by the Wall Street Journal will be of interest: "Many shrewd observers believe that it is the destiny of the Dominion to become the land link in trade routes which will knit together the continents of Europe, America and Asia, and the east and west coasts of North and South America. Should it reach that goal, three trans-continental railways double-tracked from ocean to ocean would be no more than sufficient to handle its local and through traffic."

SHOULD BE KEPT INFORMED.

IT is generally conceded that the introduction of shell making in Canada was the direct cause of the transition from the period of depression and business hysteria experienced in 1914 to the general prosperity of the last two years. It is impossible to eliminate this industry, without upsetting present conditions. Bankers, wholesalers, wholesale dealers, retailers and manufacturers must be familiar with the situation, to enable them to stand the change without deleterious effect.

The worst feature of the present situation is the uncertainty. Some firms who have finished up orders, and others who have been instructed to greatly curtail production, are in doubt as to whether or not to clean up the plant and get ready to take on other lines. They feel that the Government may call on them later to continue along the old lines, that they may select new lines. It is to be hoped that the Government and the Imperial Munition Board will keep shell manufacturers and business men generally as well informed as possible as to the real situation. The Imperial Munition Board are evidently endeavoring to bring about the necessary readjustments as gradually as possible. This will enable firms to resume pre-war activities, or take up other lines which will enable them to keep their plants and hands employed.

LET CANADA KEEP FAITH.

THE private capital invested in the development of electricity in Ontario after all the injustice it has been subjected to in this province, is now being pursued to Ottawa. This week, before a committee of the Senate, the Ontario Hydro-Electric Commission and associated interests are attempting to have certain charter rights of the Toronto Niagara Power Company and the Electrical Development Company of Ontario annulled. The Ontario Hydro-Electric Commission is, of course, the chief competitor of the Electrical Development Company. It pays no taxes, it buys no private right of way. It is subject practically only to itself and is anxious to put the Electrical Development Company, and the Toronto Power Company under the control of the Dominion Railway Board and the Ontario Hydro-Electric Commission, the latter being the chief competitor of the Electrical Development Company. The audacity of the proposal is only in keeping with the various iniquities that have been perpetrated before, such as the breach of the original covenant given to the Electrical Development Company, that the Province of Ontario would not enter into competition for the generation of electricity. At the time these companies began operations the commercial practicability of transmitting power in large quantities over high tension wires for long distances had not been practically demonstrated.

$24,000,000 of British capital was secured for development of the two companies under the then given charter and covenants, and it is this and other capital which the Hydro-Electric Commission now proposes to depreciate most seriously and perhaps practically destroy. The ostensible claim put forth on the part of the Hydro-Electric and the municipalities that are backing it, is that the municipalities must retain control of their streets, whereas this was provided for in the original agreement with the province and with the Dominion Government where it was provided that poles and conduits should be "so constructed as not to incommode the public use of streets, highways or public places," and it is also provided that "The Company shall be responsible for all damage" it causes in connection therewith.

Many ordinarily right-thinking men defend some of the actions of public ownership advocates and representatives by saying something like this: "Some years ago a certain injustice to the public was done. It is not right that this injustice should be perpetuated, therefore we will pass this act, to abrogate the whole thing." THE FINANCIAL POST takes no exception to the principle that the best interests of the public should be conserved. THE POST, however, does most seriously raise the question whether public ownership ordinarily does serve that interest best; but leaving the whole question of public ownership out of consideration, the essential ground of protest of THE FINANCIAL POST for the past several years has been that much of the power legislation in Ontario was entirely unjust and immoral. Private capital owned by worthy citizens of Great Britain and Canada entered in good faith upon the electrical development business in Ontario a number of years ago, when the whole matter was in its pioneer stage and when the risks were very large. Those companies that in the intervening time made money out of the business at all made it in only moderate quantities considering the risks involved. Others, of course, lost. Now, after the way has been paved by private companies for successful electrical development in Ontario, and the feasibility demonstrated, let it be granted that the people's interests can be best served by public ownership and operation. THE FINANCIAL POST contends, and this has been the main ground of its argument through the years, that this transference of ownership should be done so that a fair recompense, to be determined on any equitable basis, should be made to those who are being deprived of their property and businesses.

At the present time, if the Province of Ontario has concluded that the contractual rights of these companies on certain streets of the province are a detriment to the public, the necessary changes in the agreement should be made in a fair and just way by law, arbitration or otherwise. Any other course is most reprehensible and in the long run is a damage to the credit of the Province and the municipalities concerned.

It is inconceivable that the Parliament of Canada will be stampeded by demagogues and others into an utter disregard of honor and of the rights of hundreds of innocent British and other pioneers in the power business in Canada.

HOW BUSINESS MAGNATES GET THROUGH THE DAY

A Sketch of the Working Methods of Some of the Biggest Men in American Industry.

The business magnate of the present day has a tremendous range of activities thrust upon him. He has perhaps the presidency of one large corporation, a responsibility equal to the energies of the most able man; in addition, he will be on a dozen boards of directors, have control of a number of subsidiary concerns and own a trust company or two. As side interests he perhaps owns blocks of real estate here and there, and, has investments of various descriptions scattered over the map.

How does he look after things? How does he divide his time so that every interest gets the necessary attention? B. C. Forbes attempts to answer this question in "Every Week," and the following entertaining and illuminating article is the result:—

How Big Men Get Through the Day.

I talked recently with John D. Rockefeller on how he accomplished so much when in harness—he retired from the daily grind long before he was sixty.

"I was never a slave to business," he told me. "Even in my active years, I used to run away to the country quite often, and enjoy tree-planting, landscape-gardening, road-building—and playing with little folks."

This did not seem to explain *how* Mr. Rockefeller conceived and created the most wonderful business organization of the nineteenth century. So I tried again.

"I really never did anything wonderful," the oil veteran replied almost rebukingly. "I just did the best I knew how the things each day brought to be done."

I tried again. A twinkle came into Mr. Rockefeller's eyes. "We managed to do what we did because we picked able men to do things—men of great ability."

Which is in line with the reply of the chief private secretary of a financier whose capacity for work and record for achievement are the talk of the financial community. He said, when I spoke to him:

"My boss's plan is extremely simple. He gets other people to do the work."

That is more true than untrue. One requisite for the big man is a model private secretary; one who can work day and night; one who can smile perpetually and turn away visitors in a happy frame of mind; one who can say the right thing and write the right kind of letters without bothering his chief for instructions.

Each Day Mapped Out in Advance.

This, however, does not cover the whole ground. Some of the busiest men in the country lay out a daily routine which they adhere to rigidly. They set apart so many minutes for reading their mail and dictating replies, so much time for receiving business visitors, the necessary time for attending directors' meetings, conferences, and other scheduled engagements—each day is carefully mapped out in advance, so as to conserve every moment and enable all tasks to be accomplished smoothly.

That is the method adopted by the head of the country's largest bank.

On the other hand, certain tremendously busy leaders make as few appointments as possible in advance. They simply have the man they want to see called up and requested to hurry over. This is the plan commonly followed by the most active of the Morgan partners, Henry P. Davison. This house has been spending more than a billion dollars a year for the European Allies alone, and such a multiplicity of questions arise every day that they have to be tackled as they come up and when they come up. Some point regarding the munitions being shipped by, say, the Westinghouse Company is raised by cable, and *ting-a-ling* goes the telephone. "Mr. Davison would like to see you at once," the secretary informs the president or other active executive.

A Summons From the Corner House.

The other day a representative of the French government, the president of a big trust company, a British government functionary, and the head of a huge industrial corporation all passed through the Morgan portals, one after another, within the space of five minutes.

In despatching their day's work, the Morgan partners have an invaluable advantage over most other individuals and firms. It is this. There is hardly a notable in the financial community who is not prepared to cast everything aside and hasten to the Corner House in obedience to a summons. In other words, Morgan & Company these days have the first call upon the attention of the inhabitants of Wall Street. Prearranged appointments, therefore, are not essentially necessary in their case.

No bank president in America has done so many big things in the last three years as Frank A. Vanderlip, head of the National City Bank, the $50,000,000 American International Corporation, the International Banking Corporation, the National City Company, the Midvale Steel & Ordnance Company, etc. Mr. Vanderlip believes in system—and in having colleagues attend to all details. His secretary achieved such extraordinary success in relieving Mr. Vanderlip of avoidable calls upon his time that he was elevated to the official position of "assistant to the president," and a little later was snatched up by one of the most progressive and profitable firms in Wall Street and enrolled as a partner.

Mr. Vanderlip is one of the few financial dynamos who insist on opening and reading all their own mail, although his secretaries reply to three-fourths of it without even a word or suggestion or instruction, and very seldom have to rewrite any communication after the president has read it over preliminary to signing it. Nor does this specimen page from the Vanderlip calendar indicate the number of officers and other employees of the bank and its allied organizations who invade his outer office at almost every hour of the day, ready to seize an opportunity to get a decision from him.

Dictating Letters on the Train.

Numbers of big men have their secretaries travel with them to and from their country houses, so that replies to correspondence can be dictated en route. Speeches, too, are sometimes prepared during these journeys. Mr. Vanderlip invariably starts his day's work the moment his train leaves Tarrytown-on-the-Hudson. Then, quite frequently, persons who have been unable to get at him during business hours lie in wait for his exit from the bank on his way home, and accompany him on the subway ride uptown.

The president of the United States Steel Corporation, James A. Farrell, sees probably more people and gets through more work in a day than any other man in America. It is not unusual for him to dispose of fifty or even sixty business callers between nine in the morning and five in the afternoon. In addition, he has to attend the regular meetings of all the subsidiary companies of the corporation, and give his personal attention to stacks of statements and communications of all kinds from the higher-ups among the corporation's 260,000 employees; while, because of his unparalleled knowledge of foreign trade, he is constantly bombarded with queries pertaining to that phase of the business. Often, too, he is consulted by other concerns entering the foreign field. Many a night he takes home a thick bundle of papers, over which he works until bed-time.

Mr. Farrell has a tremendous advantage over most executives in that he has a very remarkable memory. He carries in his head literally millions of facts and figures, and can therefore go through work with a rapidity and accuracy beyond the reach of ordinary mortals.

"Every business organization is nothing but an aggregation of details," says Mr. Farrell, "and it is essential, therefore, to have complete knowledge of details."

The eyes of Europe have been focussed more on the American International Corporation than on any other institution or organization on this side of the Atlantic; for the industrial nations abroad see in it a machine for the conquest of the world's markets on a scale unapproached by any other enterprise. Last year no fewer than 1,300 propositions from every part of the world were submitted to the American International. Of this number fully 1,000 were rejected, while the balance remained to be studied. No organization ever had so many invitations to spend money.

The man upon whom devolves the task of passing upon propositions and directing the work of the corporation is Charles A. Stone, formerly the multi-millionaire head of Stone & Webster, the electrical engineers and owners of public-utility enterprises scattered throughout the United States. Mr. Stone agreed to accept the presidency of the American International chiefly because of the opportunities it would afford for the training and development of capable, ambitious young Americans, and, incidentally, because of the incalculable value to American business and American labor that would flow from expansion of the country's foreign trade and its financial operations all over the world.

"People often come to our offices and express resentment when told they can not see me because I am tied up," Mr. Stone remarked to me recently. "I wish people would understand that when I don't see them it is because I can not, and not because I would not like to. It is simply a physical impossibility to see every one who chooses to call; for we have serious work to do, much of it along pioneer lines, requiring a great deal of research and study and analysis."

I was privileged to glance at Mr. Stone's engagement card the other day, He had a meeting at 10.15, and others at intervals until 3.30, the last being a meeting of the directors of the International Mercantile Marine. In between he had a conference concerning the corporation's contract looking toward the construction of 1,000 miles of railway in China, an appointment with certain interests identified with construction work in Buenos Aires, a long interview with an eminent official from Russia over the huge projects the American International is to carry out in the land of the ex-Czar, a conference on important proposals in Latin-America, a luncheon date with the other members of the corporation's executive committee, and so forth.

Then, there is not an hour of the day when Mr. Stone is not waylaid by a vice-president or other officer who finds himself confronted with a problem calling for presidential solution.

How to dismiss visitors speedily, yet politely, is a difficulty that confronts every influential man of affairs.

When one magnate pays a business visit to another, he briefly explains what is on his mind, has the point settled without a moment's unnecessary delay, and gets out. But some people whose time is not worth a thousand dollars a day—as is the case, I figure, with every name I have already mentioned—fail to realize that "time is money."

A. Barton Hepburn, head of the Chase National Bank, one of the largest in New York, tries hard to see every one who asks for an audience, with the result, that occasionally there is a crowd outside his door.

It may contain two or three "stickers"—men who, once inside, are good for an hour. Mr. Hepburn has hatched a simple little method of extracting himself from this sort of dilemma. He gets up from his desk, goes outside his private office door, and starts at the top of the line; and, though he is scrupulously polite, his visitors realize that he is in a hurry, and the fact that they must do their talking standing up pushes them to the point.

J. P. Morgan Had No Waste Motions.

I once stood and watched the late J. P. Morgan work at higher speed than any human being I have ever known. He was to sail for Europe in the afternoon, and a line of visitors a block long had to be disposed of. The veteran banker gave an exhibition of doing, not two, but three things at once.

He interviewed the callers at the rate of thirty or forty an hour, he kept perusing a pile of mail on his desk, and dictated letters to his secretary—all at one time!

Continued on page 11.

PERSONAL

MAJOR R. FALSHAW MORKILL, signal engineer of the Grand Trunk Railway System, and now serving overseas in the British army, has been appointed by the Director-General of Transportation to take over all signalling work in the area occupied in France and Belgium by the British forces, and is now at general headquarters.

GEORGE WILLIAM MONK, vice-president of the Canada Permanent Mortgage Company and a director of several other financial and industrial companies, whose death occurred this week, was a direct descendant of the Monk, who won fame in Oliver Cromwell's day as captain of Monk's Foot. Mr. Monk was an interesting personality. He was born in 1838 in the township of March, and was the son of first British officer to settle in what is now Ottawa. He received his education in New York State and then, having a leaning towards rural life, settled on a thousand acre farm near his birth-place. Here he became an expert farmer and a leader in agriculture in the district. Later he took an interest in well-known investment concerns, becoming a director of the Canada Permanent and other companies. This necessitated his moving to Toronto, though he never gave up his connection with South March. Besides his farming and financial interests, Mr. Monk took a prominent part in politics and for 24 years represented the county of Carleton in the conservative interest in the Ontario Legislature.

RUSSELL D. BELL, a member of the firm of Greenshields & Co., of Montreal, is the first broker in that city to be called to the American colors. On Thursday of this week he left to take a three months' course at Plattsburg, New York, for an officer's certificate, and after that, in all likelihood, will be given a commission in the National army. There were some 4,000 applications for the 1,500 vacancies that were assigned to the New York State draft for training at Plattsburg, and Mr. Bell has thus passed the first "elimination" test of his military career. His connection with the Street in Montreal dates back only six years, when he joined the staff from the New York Sun. While on that paper, which was taken over recently and transformed in many ways by Frank Munsey, Mr. Bell had the trying experience of several other New York newspaper men of being at the side of Mayor Gaynor when he was shot by a crank on the deck of the Kaiser Wilhelm der Grosse, as a result of which he died two years afterwards, in 1912. Three years after coming to Montreal Mr. Bell was made a partner of Greenshields & Co. Many expressions of good-will reached the bright young broker before his departure this week. The step taken by Mr. Bell has two precedents in his own firm. One of the first to join the Canadian force was another partner, the senior member, Capt. Melville Greenshields, who was attached to the 5th Royal Highlanders, and met his death at Ypres. A second is "Charlie" Black, who was a lieutenant in the Artillery, and has been invalided home. Another Greenshields is at the front at the present time, although not a member of the firm, a brother, Major Charles Greenshields, of the well known legal firm.

A. GORDON McINTYRE, who fills the office of president of the Publishers' Paper Co., Inc., of New York, an organization just formed to handle the output of the Northcliffe paper mills in Newfoundland, is a young Canadian who has already made a name for himself in the paper business. A native of New Brunswick, he graduated from McGill University a few years ago and immediately became identified with the paper industry. His first position was with Price Bros. Then he was for a time editor of the *Pulp and Paper Magazine*. Later he organized the Forest Products Laboratory at McGill. He was in charge of the construction of the Bathurst Lumber Co.'s pulp mill and, after that had been completed, undertook the management of construction of the Mattagami Pulp & Paper Co.'s plant at Smooth Rock Falls, Ont. Early this year he was picked, at a high salary, by the paper committee of the American Newspaper Publishers' Association, to act as their expert and he has since been devoting his energies, with wonderful success, to increasing and conserving the supply of newsprint paper. The working out of plans for securing the output of the Northcliffe mills was largely in his hands. It is interesting to note that in the organization of the Publishers' Paper Company, Mr. McIntyre has surrounded himself with young men associated with the Canadian paper industry. Morris W. Leahy, the manager, was formerly chief engineer of the Powell River Company and more recently manager of the Abitibi Power & Paper Co. W. T. Robinson, traffic manager, was manager of the paper mills at Chandler, Que. A. A. McDiarmid, manager of manufacturing, was formerly chief engineer for the Montreal Light, Heat & Power Co.; the Bathurst Lumber Co., and the Mattagami Pulp & Paper Co. A. J. Dacres, chief accountant, was formerly accountant for the Price Bros. Co. and the Montreal Box Board Co.

CURRENT OPINION

FREE TRADE IN CANADA.

(*Wall Street Journal*).

A convention of Liberals held in Western Canada has approved an ambitious programme not only for preferential treatment of the Mother Country, but for reciprocal free trade in agricultural and factory products, covering a list of the Dominion's principal industries.

From a distance, it would seem that a formidable minority, if not a majority of Western Liberals, especially in the country districts, favors abandoning Canada's protective policy.

A nearer view might reveal free trade sentiment with much diminished front. The mental eye reverses the function of the physical eye and magnifies the things which are most distant. In the last Dominion election the Canadian people recorded an emphatic vote against free trade. Such was the state of public sentiment on that issue, standing by itself, that but for the injection of innumerable irrelevant and local issues the vote on the fiscal question would have been well-nigh unanimous.

It was not that the Canadian loved the United States less, but that he loved his own more. When it was considered that the whole economic structure of Canada rested on a basis of protection, and that many hundreds of millions had been invested in east to west transportation and agricultural and commercial development, so as to maintain economic independence, Canadians of all classes hesitated to countenance any party or leaders who might possibly undo the work of years, and end the prosperity of the country in disastrous experiment. There is no sufficient reason to believe that this is not Canadian feeling to-day.

DRINK IS ABOLISHED FOR GOOD IN U.S.

Writer Declares That Whiskey Will Not Again be Sold —What Effect Will Food Bill Have on Agriculture?

Written for THE FINANCIAL POST by Agnes C. Laut.

The passing of the U. S. Food Bill, giving the President and his administrators more autocratic power than any ruler since the days of Joseph, has been marked and is bound to be still further marked by the most unexpected results.

Beers and light wines remain on the diet list subject to the discretion of the President. Whiskey goes off the U. S. map, and instead of ruin facing the whiskey distillers, distillers' securities have shot up and are a favorite play on the market. The explanation is two-fold. First, the distillers had three years' supplies on hand when the bill passed, and this liquor is now being sold at advances all the way from 100 to 500 per cent., according to age and quality. When the distillers disorganize—as disorganize they must, or reorganize either on a basis of manufacturing stock feed instead of human stimulants, for whiskey is off the map forever here—instead of handing back worthless stock to their shareholders, the chances are they will distribute a dividend many times the face value of the stock. The second reason for the abnormal advance of the securities lies in the fact that the abnormal advance in the price of corn has been directly traced to a corner in corn created by the distillers. Ordinarily, when wheat is at $2, corn rules at below $1.50; but to-day with the biggest corn crop in the history of the country, corn is ruling higher than wheat. For stock feed in this part of the country it is now worth $80 a ton. Needless to say, before the operation of Hoover's administration, the distillers were crafty enough to unload on foreign buyers; and how much they cleaned up is purely a matter of guess work.

Purely economically and also morally, of course, the "booze" question has been a puzzle to me ever since I came from the West to reside in a rural community in the East. We have our heavy drinkers in the West, of course. Our frontier towns with the main street facing the railroad, are usually a row of low saloons and lower dives. And the wildly, hilarious "shooting-up" of Western cowboys and miners came as regularly as the big pay envelope; but "booze" there was a pastime, not a vocation, and a religion as I am sorry to say it is among the rural workers, mill hands and miners of the East. In the old days in the West, temperance legislation was unknown. To-day, temperance legislation is almost universal. Yet the consumption of strongly alcoholic drinks has increased in a way to create a public nuisance; so that now you find big business—mill owners, mine owners, railroad operators — solidly arrayed against drink purely on economic grounds.

It is, of course, idle for the saloon people to declare that the temperance legislation has created the excess drinking, because it is illicit and unregulated. It is just as erroneous for the anti-saloons to say that temperance legislation has diminished drinking. It hasn't. Drinking has increased to a total that is simply staggering for the year—to a total in dollars equal to a Liberty Loan. When you find a universal economic effect, you will usually find a universal economic cause behind it, and I prefer to go gunning for that fact rather than swallow ready made arguments. So when the food bill had incontrovertibly proved the universality of the economic curse drinking had become among employers as well as employees, I went straight to the big distillers, laid the facts on the table, and asked them why. For instance, in my own case—and nothing knocks home like a personal experience—in the course of working over and bringing up to "the pay streak" an abandoned country place of considerable acreage, I have often had to employ as many as fourteen "floaters"—extra hands taken on, diggers, carpenters, harvest hands, teamsters, thirsty for a check that came weekly, and what could be bought with the check. Of fourteen, who got their checks regularly from me and as regularly spent them on highly alcoholic booze, I can count seven out of fourteen who died of a whiskey heart in two years. This does not apply to the regular year-contract help. Nor were these whiskey hearts what the street vulgarly calls "bums." They were in many cases, my very best, fastest, most willing workers, men who worked on their nerves and used their brains in every stroke of work, though the motive was frequently nothing higher than "to get through" and get the check for the booze. When you bump into a proposition like seven out of fourteen, and see a willing worker kill himself because he is hypnotized into thinking he can't stop, you ask yourself why?

And here is what the distillers and brewers frankly say was the why, to their very deep regret—for it created the anti-saloon leagues and sounded their own death-knell. Some twenty-five years ago, the refrigeration of beers came in vogue. The brewers could buy up raw supplies in huge quantities when the market price was at its lowest, manufacture the beers, ales, stouts and porters, and store in great quantities. This induced them to stimulate their market—to offer premiums to buyers, to advertising campaigns, etc., etc. Meanwhile, the whiskey, rum and brandy manufacturers were not going to see beer run away with the entire market; so they, too, began to stimulate a market—one bottle free for every twelve bought, a free supper on certain nights, free lunches, etc., etc., with flaming electric signs girding the earth in a way that never permitted a drunk to get away from temptation.

Now the difference in alcoholic contents between beers and whiskies is the difference between 2 to 4 per cent. and 40 to 60 per cent. To stimulate the market for beers was one thing. To stimulate the market for whiskey was quite another. Instantaneously wherever men centred—more in the East than in the West—in mill towns, in lumber towns, in railroad boom towns, saloons sprang up like poisonous mushrooms; and when the free lunch failed to attract men off the street, more disreputable attractions were added, faro joints and back room for poker. The effect was automatic everywhere. Licenses jumped in cost from a few dollars a year to $1,200 and $1,500 in big cities like New York.

It was then for the saloon a matter of getting customers in off the street to drink or of being ruined by high license; so the saloon added the most disreputable attraction of all. It began diluting the drinks and doping them with drugs to make up their strength. A man would go into a saloon for a hot drink on a cold day, or a cool drink on a hot day, and would find that instead of assuaging his thirst, the drink had created a double-edged thirst for a second drink and a third and a fourth—from which he would have all the after depressions of a heavy drug, only he did not know he was being drugged. And presently, the evil became so great that it created its own reaction in the anti-saloon leagues, which have swept the land of whiskey. Beers and light wines are still on the map, and it need scarcely be told their manufacturers are standing together as a man to purge drink of drugs.

What the ultimate effect of the Food Bill will be on brewers and wine-growers, I do not know; but I suspect it may be so to regulate taxation that the beer will be the by-product, the grains for stock feeds, the main profit, which is the way the potato distilleries have been regulated in Germany.

Can Hoover legislate the cost of living down, and also stimulate the American farmers to produce a billion bushels of wheat next year? I have a farm neighbor who for patriotic reasons bought seed wheat at $3.50 a bushel and planted all the space he could spare. He got a good crop, but since the Food Bill passed, wheat has dropped to $2; and this man will not plant a bushel of the billion bushels the government wants. I have no opinions to offer on how Hoover is going to do it; but I shall record facts as he goes along. I consider he has the biggest opportunity any man ever had to revolutionize agriculture to the benefit of the farmer. Will he rise to it? If he does, he will be the next President.

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ROYAL SECURITIES CORPORATION, Limited
MONTREAL

SHALL OUR RURAL COMMUNITIES BE SAVED?

A Stirring Appeal Made to the Bankers and Business Men of the Towns and Villages to Get Together Stop the Dry-rot That is Slowly Killing off These Smaller Centres.

Rural decline, a falling off in the population of many of the smaller towns and villages and a consequent curtailment of the business of these places are conditions that have long been giving serious concern to thoughtful Canadians. The question of what can be done to stay the progress of this dry-rot in the rural communities has been debated long and earnestly but so far seemingly without much definite result.

The same problem exists in the United States. Recently a writer in the Banker-Farmer of Champaign, Ill., seized upon it and in an earnest appeal to the bankers and business men of the smaller centres urged them to do something definite to counteract the movement from the country to the big cities. His comments on the situation have a general application and are quite as much to the point in Canada as they are across the line.

Team Work Needed.

What are we as bankers and business men going to do about it? What does your home town most need? First of all, it needs team work, co-operation, first, amongst bankers and business men, and, second, by all of these and the farming communities about us. There are too many bankers and business men in these towns who are disloyal to each other—a lack of confidence exists. Competition and business rivalry have tended to make enemies of us, rather than friends and co-workers. The local dry goods man cannot supply the wants of the banker's wife and family because his stock is not fine enough, hence they trade by mail or visit the departmental store. Let me remind such a one that "a town that is good enough to live in is good enough to spend your money in." If you cannot spend your money where you make it, you are sucking the life blood out of your town and you ought to move. The lumberman and the hardware merchant and their families are just as often guilty of the same practice, and then they wonder why the town does not improve, and their business prosper. What inducement, let me ask, for example, is there for the local dry goods store to carry in stock goods fine enough for the bankers', the lumbermen's and the hardware merchants' family? None whatever. This, being too often the case, how can the banker expect the merchant, whose note he holds, to meet his obligations if there is taken away from him the only means whereby he may be able to meet them—his profits on goods sold to his neighbors?

The whole question is summed up in and stated in the following from one who was at one time the editor of a country newspaper in this state, when he said: "If you spend your money where you get it, you will be able to get it where you spend it."

Bridge the Gulf.

The second great movement that should be inaugurated by the bankers and business men is that of bridging the gulf which exists between the town people and the farmer. It might be to the advantage of perhaps one person in ten thousand in this country to have this gulf made wider, but no more. There are many of our farmers, and some living in towns, who have been educated to believe that the home merchant is a thief and a robber, and that the local banker is no less guilty of sharp practices than the loan shark of our cities. Thousands of them do not even give the home merchants a chance to supply their wants. (No wonder the home merchant does not carry the stock in size and quality to meet the demands of some of our communities. How can he? and why should he?)

They send the money away when they have the cash, and the home merchant is only of use and benefit when the crops fail and when the price is so low that they hold for a higher, and in the meantime the merchant becomes the banker, in that he lends his goods without interest and often borrows the money from you in order to perform this service. Our farmer friends, our neighbors—best friends—have become estranged from us, and the imaginary line between the country and the town is a barrier to the prosperity and the co-operation, and to the good of all. In solving this problem we will not have to work upon all of our farmer friends and our neighbors, most of them are loyal to us and to their town, but it is our duty to co-operate to stifle every movement working to augment this effort to take the trade of the farmer away from his home town. We should enlist every influence to join with us. There is a great quartette of interest in this country, which, if they could be brought together, and in the end they will when conditions become ripe, would work wonders for the good of all. I refer to the bankers and the business men of the towns, the farm press and the country paper.

The movement inaugurated by the bankers, looking to co-operation with other interests in the upbuilding and increasing of efficiency on the farm, is the great movement of the day. It will not succeed at the expense of the millions of people and particularly merchants and bankers located in the towns and smaller cities. They are vitally interested and should become a part and parcel of a great joint movement that will increase the productive ability of our farmers. You cannot hope to accomplish this increase by in any way crippling that great body of our people who are the nearest to, and the only ones to whome the farmers as a class go to, and depend upon for assistance and co-operation in times of extremity. It is the problem of to-day, that of feeding this nation, which is already a consuming rather than a producing one. To this cause the merchants and business men of the towns pledge their earnest support. There are more than a million of them. They ask in return reciprocity on the part of our neighbors and farmers, in order that peace, happiness and prosperity may be the portion of all alike.

Community Building.

Our fourth great aim should be, in order to preserve ourselves, our communities and those about us, to become community builders. Community builders to the extent of blotting out the corporate limits, extending the influence of the commercial club and the business organizations to cover the country surrounding. It has been my privilege the most of my life to live in a community which to a large extent has accomplished this thing. We have found out by co-operation on the part of the bankers and the business men that the farming community about us was in hearty sympathy with every effort to meet conditions in and out of the town, and where I have lived, and what we as merchants and bankers have done is being repeated throughout the country. Many towns have become awakened to the situation; they are inviting co-operation; they are seeking light; they are spending money; they are doing everything that is possible in their power to promote the feeling of friendship and co-operation with all classes.

POINTS OUT A COINCIDENCE

C. W. Rowley of Winnipeg Recalls Sentiments He Uttered on Dominion Day, 1912

Somewhat of a coincidence is pointed out by C. W. Rowley, manager of the Canadian Bank of Commerce at Winnipeg.

"On reading the account of an interview with Mr. M. J. Haney in your last issue," writes Mr. Rowley, "I was reminded of a short article I had printed in pamphlet form and sent to a number of my friends on the 1st July, 1912. The enclosed is a copy of that article. You will note that the article is based on words uttered by Earl Grey in January 1912, and that much the same sentiment runs through it as that expressed by Mr. Haney."

Earl Grey's words to which Mr. Rowley refers were these:—"Canada is destined to be the controlling power of the Empire." And the following is his elaboration of the idea, as written on Dominion Day five years ago:—

"We believe in our Country,—the Dominion of Canada. We believe in our King, our Flag, our Constitution, our Laws, our Institutions, and the principles for which they stand. We believe in our future; we believe in our vast natural resources from the Atlantic to the Pacific, our great possibilities,—yea, our wonderful certainties.

"We believe in the Canadian people, in their honesty, integrity, reliability, genius, in their brain and brawn. We believe that nothing can stand in the way of our advancement and prosperity.

"The great thing to remember is that we are all Canadians,—in our veins runs the blood of many an old and new world nation. We are kin to each and identical with one only. We should keep ever before our eyes the fact that we are a British-Canadian people, with high ideals and standards. Let us be true to ourselves, for then we cannot be false to any man.

"We who live in Canada should be proud of the fact and live so that Canada will be proud of us."

A VALUABLE REFERENCE BOOK.

The Canadian Mining Manual, 1916-1917; a hand-book of information concerning the minerals and mines of Canada. Edited by Reginald E. Hore. Toronto: Mines Publishing Co. Cloth, $3.00.

A most useful work is being performed by Mr. Hore in his annual compilation of the progress of mining in Canada. The present volume is the third to appear and, as with all worth-while efforts, it shows unmistakable signs of superiority over its predecessors. The book is not only larger but it is better arranged and more complete in every particular. To anyone interested in the mining industry or who wishes comprehensive information on the subject, the work is invaluable.

The contents fall into three divisions. First there is placed a review of the general results of the past year, with statistics of production. Then each mineral product is discussed separately, with its occurrence, history of development, methods of mining, etc. Finally, attention is paid to each operating mining company in Canada. The location of the company's property; its officers; its production, its finances, etc., are all given, with other useful details. Altogether the book contains 448 pages, and there is no space wasted. It should be on the shelf, not only of every mining man, but of every shareholder or prospective shareholder of mining companies in Canada.

HOW BUSINESS MAGNATES GET THROUGH THE DAY.

Continued from page 10

The moment the hour for his departure arrived, he held up his hand, pointed to his secretary to pick up the papers on the desk, and closed the roll-top with a bang. Meanwhile an employee informed the remaining callers that Mr. Morgan could see no more of them.

The whole thing was done like clockwork; but through it all the big man perspired copiously. One reason Morgan could do so much was that he could and did make up his mind in a flash. In the days yhen he was building up the foreign exchange end of his house, the exchange brokers used to step up to his desk, tell very briefly what they had to sell (or buy), and received an immediate "I'll take it" or "Not interested."

The nation's foremost capitalists now strive to find more time to see people than they did fifteen or twenty years ago. It was then fashionable to hold aloof from all but the financially elite. Harriman softened in this respect about two years before he died.

His system of getting through work was to snap out two or three words or two or three sentences to trusted employees who could write shorthand with lightning rapidity. Harriman could diagnose a situation and reach a conclusion more quickly, probably, than any other capitalist in the land. Like Farrell, he carried a phenomenal store of information and ideas in his mind.

Theodore N. Vail, president of the billion-dollar Bell Telephone system, has the reputation of being able to allocate enough work in four words to keep a man busy for weeks. He was an incessant worker for many years; and even now, although he is over seventy, he keeps the telephone wires sizzling wherever he travels through the country. He tells me that his system is to encourage all ranks of the American Telephone Company's 150,000 employees to send suggestions to the executive office, so that no good idea may be ignored.

Mr. Vail, as colleagues put it, "simply eats up work." He summons subordinates right and left, gives them brief, clear-cut instructions, and immediately turns to the next matter requiring attention.

Gontrary to popular belief, however, the busiest men rarely appear to be extra-busy; that is, they do not rush hither and thither, toss papers about, sweat and fume. They appear always to keep in mind the dictum that "a gentleman is never in a hurry." To watch them—most of them, at least—one would think they had all the time in the world, they work so quietly, smoothly, and deliberately. But they don't make many waste motions or use many unnecessary words.

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Central Chambers, Ottawa

WILL VISIT CANADA.

The electrical engineer in charge of the extensive municipal electric light and power department of the Municipal Council of the City of Sydney, contemplates leaving, four weeks hence, for Canada, with a view to the inspection of similar works and, possibly, placing considerable orders for electrical equipment with manufacturers in the Dominion, writes the Canadian commercial agent at Sydney in a letter dated July 4. He will take forward with him letters of introduction furnished by the Canadian Trade Commissioner Service in Australia to interested manufacturers.

The City Council has already expended £2,500,000 on its electric light and power plant and, on account of the difficulty of obtaining machinery and other requisites, has notified that no further new installations or extensions will be permitted for some considerable time.

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

WAR LOAN BONDS

War Loan, Calgary.—"I wish you would advise me. I have $1,400 to invest and have decided to place $1,000 in 1925 war loan at around 95. For the balance, I would like your advice. I do not want anything with any element of speculation in it."

We heartily commend your intention of investing money in Canadian war-loan bonds. It is not only a patriotic act, but it is good business as well. You mention 95 as the price of the 1925 loan. You cannot buy it as cheap as that. It was the first loan and being convertible into any subsequent loan at the issue price of $97.50, it is bound to continue to sell at or about that figure. Just now it is selling at 97¾ to 98.

The second, or 1931 loan, is, in our opinion, a good buy at the present price of 96.00 to 96.50. By a recent order of the Finance Department, this loan is now convertible (it was unconvertible originally) into any subsequent Dominion loan of twenty years or upwards at its issue price of 97.50. This means that there is a possibility of an early rise to that figure, should a new 20-year loan be floated.

The third, or 1937 loan, has the advantage of length. If you buy it and lock it up, you know you have a first-class investment which will yield you nearly 5½ per cent. per annum for twenty years. This loan also, by the recent order of the Finance Department, is now convertible into any new loan of twenty years or upwards at the issue price of 96. That is to say, if a more attractive loan should be floated, you can change your bonds into it, and derive the advantage of the higher yield. The 1937 loan is selling around 95 at present.

If you wish to avoid the speculative element in making your investments, we do not think you could do much better than put all your $1,400 into war-loan bonds. By so doing, you will be helping to improve the situation for these bonds, which is an important national consideration at the present time.

INSURANCE RECEIPTS

Insured, Toronto.—"Would you kindly advise me on the following point? I have been accustomed on paying premiums on my insurance policies to destroy previous receipts and retain only the last receipt. I did this on the theory that the last receipt was sufficient evidence to prove that all premiums had been paid. A friend now tells me that I should have kept all the receipts. Is he correct?"

The last receipt is an acknowledgment by the company that the policy is still in force. In the case of automatic loans, the company always notifies the insured that it is charging the amount of the premium up against the policy. There is no legislation compelling the insured to keep receipts, nor penalties provided by insurance companies for not keeping receipts. The better policy, however, is to keep all receipts.

AMHERST PIANOS.

Nova Scotian—"What do you think of the Amherst Piano Co. stock as an investment? Do you consider their business in a healthy condition?"

The management of Amherst Pianos, Limited, say that their company is doing a satisfactory business. The output of pianos continues and to this they have added the manufacture of talking machines. An idea of the value of the stock can be arrived at from the statement that the company is two years in arrears on its preferred stock dividends, and, of course, nothing has ever been paid on the common. On the other hand the company state that they have a "reserve of $46,000." The reason given for the deferring of payments on the preferred stock is that the prices of raw materials have advanced so much that greater working capital is required, and to provide this the dividends are retained in the treasury. There are rumors that a part of the deferred dividends are to be paid some time in the near future, but there is nothing official. The preferred stock is $240,000, so that the amount due the holders is now $33,600. The common stock amounts to $250,000. Whether the company can make a success of talking machines is a problem, in the face of the keen competition that exists. It may be that they can, and the management profess optimism. Investors can easily form from these facts a correct idea of the value of Amherst Pianos "as an investment." There is such a thing as an investment and a business risk is another matter.

INTEREST RATES.

Mortgagor.—Please advise if it is possible to borrow money on first-class mortgages at six per cent. What is the situation at present?

We understand that a change in the situation has developed within the past few weeks. It is now possible for trust, loan and mortgage companies to buy the bonds of provinces and cities to yield six per cent. or better. In consequence, they are naturally no longer willing to lend money on mortgage at less than about 6½ per cent. So long as these high-class bonds were selling around five or even five and a half per cent., it was good business to put out money on first grade mortgages at six per cent. but the rate having gone up on bonds it has also been pushed up on mortgages.

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NEWS OF THE BOND MARKET

IS THE OTTAWA SALE A GOOD MARKET INDEX?

Excellent Price Obtained for Half Million Dollar Issue by Capital City.

GOT PREMIUM ON 6 %

Various Interesting Features of a Holiday Market—Price Outlook Uncertain—New War Saving Certificate.

Ottawa, with its big sale of debentures, was in the municipal market spotlight this week. To judge from this sale, moreover, the municipal market has stiffened considerably since the Hamilton sale of ten days or so ago. In the latter case 6 per cent. debentures were sold at a discount from a 6 per cent. rate, while in the Ottawa instance a premium on a 6 per cent. rate was paid. As most of the bond companies, however, bid considerably lower than the purchasers it is not fair to conclude that the market improved so much as that the Bank of Ottawa, the purchasers of the bonds wanted them as a permanent investment, or else had some other special place to put them. As the POST indicated last week, arrangements for some provincial financing are being completed, while the issuing, probably in mid-fall, of the Dominion Government's next domestic war loan is becoming more certain. An interesting result of the high yields procurable on some of the best bonds is the raising during the last week or two, of the mortgage rate. As one of the biggest companies said to the FINANCIAL POST "Why should we lend any money at 6 or 6½ per cent when we can buy excellent municipal and government bonds to yield higher figures?" The Government during the week indicated its intention of going after the smaller investors further by announcing the issuance of a new war certificate of $10 denomination." The general bond market both in the United States and Canada is quiet.

The machinery and methods of the bond market are probably its most interesting feature at the present time. One of the striking facts about the recent sales has been that they have been effected quickly and in most cases with very little publicity beforehand. This week, for example, one of the prominent bond houses knew nothing whatever about the Ottawa issue until the transaction was completed.

The reason of this is presumably because most city officials, not liking the look of the market, do not care to test it by offering their bonds. Some of the more enterprising bond houses, however, have pressed their offers and have had closed deals probably with only a few of the other houses competing. Another outcome of the uncertain market conditions is the continuation of the syndicate plan by which two or three of the houses join to handle an issue which any one of them would have handled by itself a few months ago. The plan, although perhaps resulting in somewhat lower proceeds for the municipalities, is of advantage to them in the long run as, otherwise in many cases no transactions would take place. For similar reasons options instead of straight sales are also fashionable in connection with some of the issues. On the whole the Canadian market is decidedly spotty, the uncertainty adding a special zest to the game at this writing.

Ottawa Sells Well.

Ottawa unquestionably did well with its big issue of $575,000 5½s, most of these except some $50,000, being 30 instalment bonds. The high tender was 95.12, or a premium on a 6 per cent. rate, the next bid so far as the POST can learn being 93.32. Ottawa's success has been ascribed to the city's being well financed, being free from graft and being always anxious also to give full publicity to its financial affairs.

City treaurer Corbett of Ottawa had previously lightened the city's load and presumably helped to pave the way for a better price, by withdrawing some $300,000 local improvement 5s from off the market and having them taken over by the city's sinking fund.

The U. S. Market.

Canadian houses that are making sales in the United States now are doing so by good hard work. One United States representative of a Canadian house told the POST yesterday that it was practically impossible now to break new ground but that some selling was going on to old customers. One big United States house told a Canadian seller that the United States market for Canadians was a dead horse until the war is over. Another stated that it is no use talking rates or quality now and that prices cut in half would not attract them under present circumstances.

One other United States house said this week that "Canadians would do well to stop the printing press"—they forget that Canadian bonds are engraved for the time being. Another representative reported that it was no use talking anything except the highest grades and most attractive prices. Yet the Bond Buyer this week states that "Municipal bonds continue to hold first place with the investing public" and one of the big banks on the other side state that it is their belief that there is still an "immense amount of money in the United States available for investment." For the purpose of comparison with Canadian prices the following list of early August sales in the States will be of interest.

SOME RECENT SALES IN U.S.

	Rate.	Yield.
Syracuse, N.Y.	4½%	4.45%
Dayton, O.	5 %	4.74%
Martinsburg, W. Va.	5 %	4.92%
Peabody, Mass.	4½%	4.23%
Cambridge, Mass.	4½%	4.28%
Lawton, Okla.	6 %	5.94%
Cincinnati, O.	4¾%	4.62%
Cleveland, O., (schools)	5 %	4.67%
Schenectady, N.Y.	4½%	4.48%
Greenlee Co., Ariz.	6 %	5.56%
Columbus Jct., Ia.	5 %	4.80%
Utica, N. Y.	4½%	4.39%
Oregon,	4 %	4.50%
Arkansas	4¾%	100.08%
Maryland	4 %	100.00%

The Price Outlook.

The feeling is still very mixed as to the outlook for bond prices. The Government is on the one hand likely to continue to absorb very large amounts of Canadian savings. The commercial demand for money is still keen and this year's crop demands upon the liquid resources of the country are likely to be heavy. On the other hand, and tending toward maintenance of present prices, is the fact that prices are already low, while stocks are low and are likely to remain low through municipalities stopping their municipal undertakings and consequent output of bonds, if money remains high priced.

The Next War Loan.

It is expected that the Minister of Finance will bring out his next war loan probably a couple of months before the end of the year. The best methods of making it a big success are being discussed in various quarters. Probably a more vigorous and well planned campaign than ever will be made. THE POST hopes the Treasury Department will decide on not over a 5½ per cent. rate, and believes there is enough patriotism and energy in Canada to supply such money as the country needs this fall at that rate. In the United States there is still $3,000,000,000 of the original $5,000,000,000 Liberty Loan to be brought out this fall. The rate was 3½ per cent. and there were no commissions, nor were the bonds subject to any taxation except succession duty. This time there is a possibility that the bonds will be brought out at a higher rate and subject to other taxation. This anticipation is expected to stiffen up the price of the first Liberty Loan 3½s, and so improve the prospect of the second loan being a great success. It will also, even if the new loan does bear 4 per cent., probably result in few of the holders of the former 3½ per cent. bonds wishing to convert.

THE POST mentioned last week the falling off of the munitions business in Canada. If this is to any considerable extent on account of the lack of credits in Canada for munition purposes it is to be hoped that the next Dominion loan can be made sufficiently large to permit munition making to be carried on in Canada for some time yet to come.

The next Dominion Government loan was discussed further by the Canadian Bond Dealers' Association executive in Toronto on Friday.

New War Savings Certificates.

THE POST last week pointed out the fact that the Bond Dealers' Association or some of them were favorable to having a $10 certificate in connection with the new loan. This week the Minister of Finance announces a new war savings certificate of that denomination. The lowest available certificate before this time was $25. The new certificate will sell at $8.60 and will return to the buyer $10 in three years. All the banks and money order offices in Canada will have these new certificates on sale at once. During this year, commencing January 1, more than 140,000 certificates in $25, $50 and $100 denomination have been sold. The present rate is from $200,000 to $300,000 a week. Thus far $10,000,000 have been brought into the Dominion Treasury in this way. A. E. Ames & Company bought $10,000 Rural Municipality of West Kildonon, Man., 5½ 3-year bonds.

DEALERS WILL URGE BETTER SALE METHODS

Next War Loan Will Require More Efficient Salesmanship.

HELP SMALL INVESTORS

Suggestion is Made That There Should Be a Campaign Every Six Months For a Definite Sum.

A number of suggestions are being worked out by the Canadian Bond Dealers' Association in an effort to increase greatly the sale of war bonds and assist in financing the war so far as Canada is concerned. Some of the suggested methods that have come before the eastern branch of the Association, were discussed this week by FINANCIAL POST with several members of the Association.

The subscriptions to the Liberty Loan in the United States at the comparatively small rate of interest of 3½ per cent. are likely to furnish a goal for the sale of war bonds in Canada. As a prominent bond dealer in Montreal said to FINANCIAL POST: "Over there, there were four million subscribers to the Loan, or one in twenty-five. In Canada there were only 40,000 subscribers to the last war loan or about one in 200, just one-eighth the proportion of the United States. One of the reasons for the nation-wide subscriptions there was the manner in which an appeal was made to the people at large. In all business life the keenest competition has developed over there of any country in the world, and this keen competition has brought forth some of the best salesmen in the world, and the brightest and most effective methods. In their Liberty Loan they considered it essential to make use of the most successful methods that the keenest salesmen had developed. This should be and must be done in Canada if the war bonds are to reach anything like the sales that they must in order to be of any material benefit. What we are discussing is not so much a change in the form of the bond nor the interest, nor the terms under which it was sold, as the methods of getting the public, regular investors and others as well, to become interested and to invest in them not merely as a good investment but from a patriotic standpoint as well."

Small Denominations.

The secretary of the eastern association, Mr. McQuesten, of the Dominion Securities Corporation, said that the idea of a certificate for as small a sum as ten dollars originated from the action of some United States institutions that had issued certificates for this amount in order to encourage the small investor, and that five of these were redeemable for a $50 Liberty bond, or ten for a $100 bond.

"In one instance that came to my attention a speaker held up a $50 bill in one hand and a $50 bond in the other and said that the bond was as good as the bill, and better, from the fact that the bill if dropped into the pocket did not increase, but the bond bore interest.

"There were public meetings in the States in which officers of bond and other houses addressed the public, going to big mills at times and speaking to the workmen. As a matter of fact there was no commission paid the banks and others as this was illegal but legislation may be introduced to permit this before the next sale. In Canada the bond houses received ⅜ of 1% but few made anything out of it as most spent it in advertising, and in addition there was no commission on those sales that were made above the amounts that finally were allotted."

Comparison With U. S.

Mr. McQuesten drew attention to a point that has not been recognized sufficiently in comparing, to Canada's disadvantage, the comparative subscriptions in the two countries. "It should be remembered that Canada is not naturally a bond-buying country as the United States and England are. There are comparatively few bought here. In the States there are infinitely more bond houses than in Canada, and the banks themselves as a rule have a bond branch. Thus it will require a very active campaign in Canada to interest the people and get them to understand just what a bond is."

One of the suggestions that has been made is that there be a campaign every six months in Canada for the realization of a definite sum by the sale of bonds and that the publicity campaign be undertaken in every center by local committees and that certain amounts be assigned to the larger places as a fair share for them to reach, and that public meetings be held; in fact, as one bond dealer expressed it, "that the sale of these bonds be taken up very much like the methods adopted so successfully for the raising of subscriptions for the Patriotic Fund."

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DEBENTURES FOR SALE.

Bridgeburg, Ont.

TENDERS FOR DEBENTURES

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R. A. LAND, Town Clerk.
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Paid-Up Capital	$2,410,925.31
Reserve - -	685,902.02
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Canada Permanent Mortgage Corporation

Toronto Street, - Toronto

Established 1855.

Paid-up Capital - -	$6,000,000.00
Reserve Fund (earned) -	5,000,000.00
Investments - - -	32,264,782.81

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PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 31st day of July, 1917, incorporating Frank Joseph Hughes and Daniel Patrick James Kelly, solicitors; Violet Stewart, stenographer; Edward Joseph Curry and Hans Vogal Jansen, manufacturers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.: To manufacture and deal in goods, wares and merchandise. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Curry-Jansen, Limited," with a capital stock of forty thousand dollars, divided into 800 shares of fifty dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 2nd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

FIELD OF MUNICIPAL FINANCE

GAS RESERVE FUND MOOTED FOR THE "HAT"

By Raising the Rate City Would Increase Its Revenues Materially.

SOLVE THE TAX PROBLEM

Municipal Expert Suggests Several Plans to Relieve the Financial Embarrassment of Medicine Hat.

Medicine Hat has been having its finances dissected by an expert, Dr. Haig, who has been employed by the provincial government of Saskatchewan to solve the problems of municipal financing in that province. The doctor found that there was no excuse for the city being financially embarrassed. It was simply a question to find an equitable way to distribute the burden of taxation. The trouble had arisen over the breakdown of the present tax system and the leniency of the tax sale policy.

By means of a chart Dr. Haig showed the gradual accumulation of arrears of taxes, from 1912, when the arrears were small, till 1916, when the total accumulated arrears amounted to more than the current year's levy. Of this amount, $480,000, only $30,000 had been collected during the first seven months of 1917.

Criticism of Tax.

"Under the conditions prevailing in the years 1912-1915 the land tax system was possibly the most desirable one, as each owner of land expected to pass the taxes on to the next purchaser. But it had one serious defect in being a most unsuitable form of raising taxes in times of depression. It was not really a tax but merely a fee to be allowed to speculate. No one can be compelled to pay the tax when the taxes amount to more than will make it worth while to hold the land. This fact should be faced and a policy determined. The question was how much the owners of land would pay. It had been suggested to reduce the assessment of $13,500,000 to $12,000,000 by lopping off the sub-divisions outside the two-mile circle on which assessment it was thought taxes could be raised without the owners surrendering their land to the city.

A very excellent suggestion had been made by Mr. Godfrey, a citizen,—the accumulation of a gas fund by the increase of the price of gas. The gas proposition was a gamble, and in case the supply of gas should fail, and fail suddenly, a reserve should be accumlated with which an artificial gas plant could be operated. The raising of the price of gas from 15 to 25 cents per 1,000 would bring in an additional revenue of $70,000. with no diminution of consumption.

Business Tax.

The business tax which had been imposed in the city for the first time this year, had caused a lot of complaint, but had a justification, although the Saskatchewan scheme of basing the tax on the amount of floor space and classified according to amount of business done, is fairer than basing on rental values. Some elements in the community get off very lightly, such as doctors, lawyers and other professional men, and should contribute. Impose an income tax on the same basis as the federal income tax, all incomes of single men over $1,500 per annum, and all incomes of married men over $3,000, and charge a flat rate. It was estimated $10,000 a year could be raised in this way.

Buildings next to land itself form a most desirable subject for taxation. It would be necessary to go to the Legislature to secure changes in the charter, to be allowed to tax buildings. In most large cities buildings are taxed upon 100 per cent. of their value, but if the buildings in this city were taxed upon 60 per cent. of their value, that with the business and income taxes and the raise in the price of gas would reduce the mill rate on the assessment of $12,000,000 from 31½ to 26 mills. That was suggestion No. 1.

If the price of gas was not raised and the other taxes imposed as in No. one suggestion, the mill rate would be reduced to 29 mills. Suggestion No. 2.

Assumng that the buildings were taxed more heavily, say 100 per cent. of the value, but without increasing the price of gas, the rate in that case would be 25 mills. Suggestion No. 3.

WILL LOSE TAXES.

C.N.R. Purchase Will Mean Serious Loss to Municipalities.

By the transfer of the Canadian Northern Railway System from private ownership to government control, municipalities all over Canada will lose large sums in taxes and will have to find new means of making up the deficiency. Municipal officers are already beginning to figure up the loss. The purchase will mean a loss to the city of Toronto at the present rate of taxation—25½ mills on the dollar—of $34,129. The company is assessed on its realty for $1,338,398. This is $19,958 more than it was in 1916.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Aug. 27, Kenora, Ont.—$13,949.79 consolidated debt debentures, 6%, 36-year. J. E. Currie, City Clerk.

Aug. 27, Campbellford, Ont.—$19,000 electric light and power debentures, 5½%, 10 instalments. J. W. Cairns, Mayor. F. W. Wood, Town Treasurer.

Aug. 27, Bridgeburg, Ont. — $30,000 school debentures, 5½%, 30 years.

Aug. 30, R. M. of Assiniboia.—(1), $1,680.99 debentures, 5%, 5 years; (2), $8,385.69 debentures, 5%, 10 years; (3), $2,911.28 debentures, 5%, 7 years; (4), $8,514.46 debentures, 5%, 20 years; (5), $5,000 house plumbing debentures, 5%, 7 years. Frank Ness, Sec.-Treas., Kirkfield Park, Man.

Sept. 4, Shawinigan Falls.—$125,000, 20-year debentures at 6%.

Aug. 27, Chatham, N.B.—$40,000, whole or part, 20 years at 5%.

BY-LAWS PASSED.

Aug. 13, Mimico—$5,000 debentures for balance of cost of sewerage works.

Aug. 13, Mimico—$11,500 debentures for construction of Trunk Sewers.

Aug. 20, Cookstown.—$9,500 for development of electric power.

BY-LAWS TO BE VOTED ON.

Sept. 4, Regina, Sask.—$25,680 debentures for paving Winnipeg St.

Sept. 15, New Toronto.—$21,000 debentures for public school sites.

Sept. 15, New Toronto.—$30,000 debentures, water and sewer extensions for Goodyear Tire & Ruber Co.

CONTEMPLATED BY-LAWS.

London.—$25,000 to cover the cost of purchasing and supplying coal to the citizens through a municipal coal yard. Will be submitted to the ratepayers in September.

BRITISH COLUMBIA.

The following certificates have been issued by the muniicpal department of British Columbia:—

August 7, Trail.—$80,000, 6 per cent., 20-year waterworks debentures, under by-law No. 173.

August 14, Trail.—Debentures 1 to 160, issued under by-law No. 173.

SASKATCHEWAN.

The following is a list of applications to the Local Government Board from August 6 to 10, 1917. Authorization will issue on evidence of satisfactory sale:—

Rural Telephone Companies. — East Lockwood, $900; Salvador, $18,500; Clover Hill, $2,000; Marshall, $8,500; Greenwood, $9,600; Bolar Crescent, $6,600; Third Meridian, $1,200; Findlater, $6,000; Red Jacket, $1,800; Hohenlohe, $3,700; Hubbard, $6,000; Park Line, $3,500.

Final Authorization Granted.—Lancer, $22,700; Dinsmore, $7,900.

BOND SALES.

$200 Asbestos at 72; $4,500 Bell Telephone at 85½; $2,000 Canada Bread at 92; $4,500 Canada Cement at 98 to 97; $1,500 Cedar Rapids at 85½; $1,000 Dominion Canners at 89¼; $5,000 Dominion Iron at 88; $2,100 Lyalls at 91 to 90; $1,800 N. S. Steel at 83; $3,000 Mont. Trams. Debs. at 74¾; $5,000 Quebec Ry. at 62; $800 Wayagamack at 83¾ to 83; $18,500 War Loan (1925) at 97⅝ to 97½; $124,000 War Loan (1931) at 96⅝ to 96; $191,900 War Loan (1937) at 95¼ to 95.

ARE TAX SALES DURING THE WAR A FAIR MEASURE

Question is Raised and Discussed in City of New Westminster.

TAX SALE NEXT MONTH

Many Angles to the Proposition and a Fair Solution is Fraught With Many Difficulties

The British Columbian of New Westminster, B.C., is much puzzled to know whether or not it is the right and fair thing to hold tax sales during the period of the war. A property owner just back from England finds that the city is going to hold a sale of properties in arrears up to and including 1914, the first year of the war. He argues that there should be common sacrifice and a sharing of common burdens.

"Is a tax sale this year or next or next,—while the war lasts, the fairest way to deal with the situation of unpaid taxes?" asks the local paper.

"The owner in arrears says it is not. New Westminster, he points out, is alone in holding a 1914 tax sale. Victoria has not even held a 1913 tax sale. It is not carrying out the spirit by which Great Britain is endeavoring to win this war to push any citizen to the wall, and it is not good business for the city's future in the eyes of the investing world to give no consideration to the citizen or the investor who has put his money in the city's real estate, has spent money on improvements and has possibly staked his all on the future of the city. If the tax sale method of compelling payment of taxes is pressed during the next succeeding years of the war as the financial conditions become more difficult to meet, what will the result be but to push many a land owner to the wall who, in good faith and with a confidence in the city that has been an asset in the past and would be in the future, has invested his all in New Westminster.

The Other Side.

And what applies to New Westminster applies to other municipalities. But there is the other side to be considered. The city is a community proposition where the burdens are equally distributed as the advantages are shared by all. The city has its bond payments to meet, and if the delinquent taxpayer held city bonds would he be any more lenient than the mortgage holder, in regard to his interests? The citizens who are paying their taxes by hard labor and sacrifice, should they be discriminated against by the land owner who will have his innings again after the war? In other words, where does the principle of bearing the common burden begin or end?

"It would appear that taxes should be paid. But if not, what then? Is the delinquent prepared to go before a court of the land and lay bear all his necessitous circumstances. Should the citizen who labors hard hours to pay his taxes, be they large or small, be compelled to suffer civic inconveniences owing to taxes to the amount of $100,000 being unpaid?

"The question may be viewed from many angles. A fair solution is fraught with difficulties. It may be advisable to postpone tax sales until after the war unless in cases of dire necessity. But this presupposes that the taxpayer in arrears is not shirking his duty and taking advantage of a condition or gambling with the future. And all are not doing that."

A COMMON COMPLAINT.

Many Men Can Buy Autos But Cannot Pay Their Taxes.

A pretty state of affairs was disclosed in St. Thomas, when a committee of the city council went over a portion of the list of delinquent taxpayers the other day. While the names were being read at the meeting, Ald. Meehan, as well as several other members of the board, declared that there were many on the list prepared by the tax collector who should not be allowed to carry on business and own property without paying their taxes. One prominent citizen was mentioned who only a few days ago purchased a new automobile, but who had several hundred dollars of unpaid taxes against his property, dating as far back as 1915. Numerous other cases of railroad men and others who are earning $200 and over a month were mentioned. These men absolutely refuse to pay their taxes.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Aug. 10	Colmer, S.D., Sask.	Can. Landed and Nat. Invest. Co., Winnipeg	......	......	$2,000	....	......
" 10	Okne, S.D., Sask.	Western Canada Bond Co., Winnipeg	......	......	1,800	....	......
" 10	Lakeside, S.D., Sask.	Great West Life Assurance Co., Winnipeg	......	......	2,000	....	......
" 10	Beswick, S.D., Sask.	Great West Life Assurance Co., Winnipeg	......	......	2,000	....	......
" 10	Salt Lake, S.D., Sask.	Can. Landed and Nat. Invest. Co., Winnipeg	......	......	1,600	....	......
" 10	Barton, S.D., Sask.	Western Canada Bond Co., Winnipeg	......	......	500	....	......
" 10	Shaunavon, S.D., Sask.	Great West Life Assurance Co., Winnipeg	......	......	15,000	....	......
" 10	Allan Hills, S.D., Sask.	Goldman & Co., Regina	......	......	1,800	....	......
" 10	Ramsay, S.D., Sask.	Bond and Debenture Corp., Winnipeg	......	......	6,000	....	......
" 10	Red Lake, R.T., Sask.	Moose Jaw Sinking Fund Trustees	......	......	13,200	....	......
" 10	South Antelope, R.T., Sask.	Goldman & Co., Regina	......	......	18,500	....	......
" 10	Hillsborough, R.T., Sask.	W. L. McKinnon & Co., Regina	......	......	23,200	....	......
" 10	Rosthern, town, Sask.	W. L. McKinnon & Co., Regina	......	......	23,000	....	......
" 10	Dufferin, municipality, Sask.	Nay & James, Regina	......	......	2,500	....	......
" 20	Ottawa	Bank of Ottawa	5½%	30-ins.	575,000	95.12	6.00%
" 20	West Kildonan, Man.	A. E. Ames & Co.	5½%	30-yr.	10,0000	....	......

Credit-Canada, Limitée

Government, Municipal and School Bonds

President. Hon. H. B. Rainville
Managers { E. A. Ouimet
F. Saint-Pierre

179 St. James Street, - Montreal, Canada

We own and offer for safe investment The following

6% Debentures

$ 11,000, Town of Laval de Montreal, Que., due Sept. 1st, 1941.
15,000, School Municipality of Pointe aux Trembles, Que., due 1st May, 1942.
112,500, Town of Pointe aux Trembles, Que., due May 1st, 1942.
264,000, Town of Saint Laurent, Que., due May 1st, 1927.

Interest payable semi-annually.

Principal and interest payable at Montreal or New York.

PRICE: 100 and Interest

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Royal Bank Building, Toronto

MacLEAN'S for September

is a magazine of the very best type and rank. It is made for Canadians, and so has a value and appeal to Canadians possessed by no other magazine in the world. MACLEAN'S circulation is getting greater each month. It is now 50% larger than a year ago. The inference is inevitable.

Northcliffe

Lord Northcliffe will be a contributor to the September MACLEAN'S. The general theme of his will be Canada's position at the present time in relation to the war and to the Empire afterwards. Be sure to read what the brilliant and dominant man has to say about our counry. Get an outsider's viewpoint.

MacLean

John Bayne MacLean, publisher, editor, publicist, clear-seeing and far-seeing, has another strong article in the September MACLEAN'S. Colonel MacLean has proved himself to be as clear-sighted as Kitchener in many matters pertaining to the present war; and he is doing a needed work now in THE FINANCIAL POST and other newspapers, to arouse Canadians to a proper sense of the perils that lie ahead.

Ronald

Another smuggling revelation!
A certain Canadian town offered a big bonus to a factory. An American supplied the desired factory, smuggled into Canada the whole plant required—and was afterwards found out and brought to book. J. D. Ronald tells the whole amazing story in the September MACLEAN'S. Mr. Ronald is contributing to MACLEAN'S a series of Canadian "inside" smuggling stories—true ones. This is great stuff.

Leacock and Laut

Stephen Leacock and Miss Agnes C. Laut are contributors as usual to the September MACLEAN'S. Leacock's humor is bubbling, sparkling and refreshing—like spring water. Miss Laut provides another of her well-informed vigorous, and revealing articles on a phase of the war in relation to Canada and the United States. Miss Laut makes us think and wonder!

Jacobs and McGrath

W. W. Jacobs contributes one of his inimitable short stories to the September MACLEAN'S. "Their Wives Went Along." Harold McGrath, world famous story-writer, who wrote "The Man on the Box," provides a complete novelette. It is a story of adventure and mystery.

Allenson and Moorhouse

A. C. Allenson contributes a short story, "A Flutter in Diamonds"; and Hopkins Moorhouse, "Their Tents like the Arabs." These two men are Canadians — winning fame, and adding lustre to Canada's record for producing short story writers of the first-class.

Hendryx

James B. Hendryx's serial, "The Gun Brand," continues in the September MACLEAN'S. A great story of the Canadian Northwest. The Movie-makers are filming Hendryx's work. So you can be sure that he's writing the right sort of stuff.

Women and Their Work

This is the title of a new department in MACLEAN'S. In the September issue, this department will contain:
Reducing My Household Cost.
The Care of the Child—an article by Dr. George E. Smith.
A sketch of Mrs. W. M. Davidson, a prominent Western woman, engaged with her husband in editing the Calgary Albertan.
Cooking the Cheaper Cuts—an article on economy in the kitchen.
This new department will prove of first-class interest to all women.

Review of Reviews

One of the best liked and most valuable features of MACLEAN'S MAGAZINE is its Review of Reviews Department where the best and most significant articles appearing in current literature are condensed for the busy reader, and for the one who wants to know what other magazines are printing. Here one gets a cross-section of the world's best thought.

At All Newsdealers 15 cents

IDEAL WAR-TIME POLICIES

COMBINING SAVINGS, INVESTMENT AND PROTECTION FEATURES.

It's a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policyholders, who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that would otherwise probably have been dissipated, and now they find that for every $100.00 so invested, from $125.00 to $210.00 have been received, depending on the length of the endowment term. Meanwhile, their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

SECURE AN ENDOWMENT WITH

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

WATERLOO ONTARIO

British Colonial Fire Insurance Co.

2 Place d'Armes, Montreal

AGENTS WANTED IN UNREPRESENTED DISTRICTS

THE

CANADA NATIONAL FIRE INSURANCE COMPANY

HEAD OFFICE: WINNIPEG, MAN.

SURPLUS TO POLICYHOLDERS, $1,820,752.82

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED.

NEW RECORDS

Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE—MONTREAL

THE

Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Total Benefits Paid 42 Million Dollars

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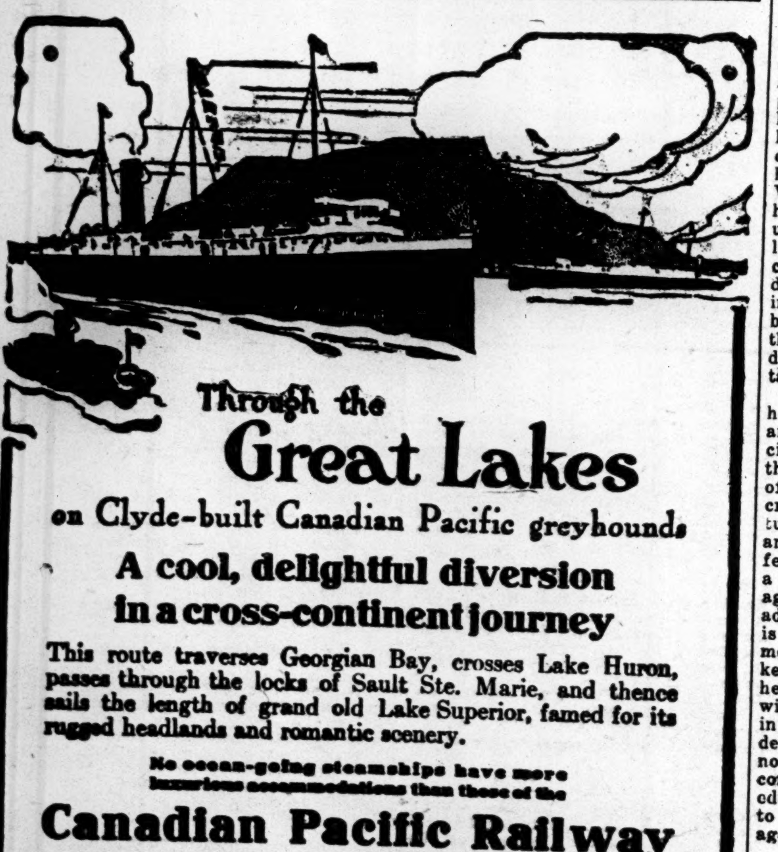

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Great Lakes

on Clyde-built Canadian Pacific greyhounds

A cool, delightful diversion in a cross-continent journey

This route traverses Georgian Bay, crosses Lake Huron, passes through the locks of Sault Ste. Marie, and thence sails the length of grand old Lake Superior, famed for its rugged headlands and romantic scenery.

No ocean-going steamships have more luxurious accommodations than those of the

Canadian Pacific Railway

Great Lakes Steamship Service

Service via Owen Sound now in operation.
Service via Port McNicoll commences June 17th.

Particulars from Canadian Pacific Ticket Agents or write

W. B. HOWARD, District Pass. Agent, Canadian Pacific Railway, Toronto.

INVESTORS' INSURANCE NOTES

THE ECONOMIC VALUE OF LIFE INSURANCE

Its Important Bearing on the Progress and Welfare of a Nation.

INSURANCE CO. INVESTMENTS

Have Played More Important Part in Upbuilding of Basic Industries of a Nation Than Bank Loans

A valuable contribution to the programme of this week's annual convention of Life Underwriters' Association of Canada at Winnipeg was an address by Prof. W. W. Swanson of the University of Saskatchewan, dealing with the economic value of life insurance. The speaker showed how the war was affecting the life of all nations and communities and argued that it must react upon the efficiency and adaptability of life insurance. A struggle for commercial supremacy was inevitable and in this struggle, the thrifty nation would succeed best.

After dealing with the value to a nation, as a nation, of developing the life insurance business, Prof. Swanson passed on to view the problem from other aspects.

Saving and Hoarding.

It is scarcely necessary at this late day to dwell long upon the distinction between saving and hoarding. Nevertheless, there is still, in some quarters, much confusion of mind on this subject—a matter of fundamental importance in the life insurance business. Aside from those in control of insurance corporations, too few realize that the hundreds of thousands of premiums paid annually for life insurance, small as the individual contribution may be, amount in sum total to an enormous volume of capital which is used productively to fertilize industry, commerce and agriculture throughout the length and breadth of the nation. The railroads that have opened up the fertile West, the towns and cities that have been built almost overnight, the vast industrial equipment that has made America the workshop of the world—these and a thousand other enterprises—have all been rendered largely possible through the investments of life insurance corporations.

The truth is that, aside from the benefits that the individual derives from his policy, the whole nation shares in the fruits of such enterprises. If the business of life insurance were destroyed, the nerve centre of the nation's economic life would be paralyzed. While comparisons may not be adequately made between life insurance corporations on the one hand, and banks and other financial enterprises on the other, it may be safely said that the former have contributed more to the upbuilding of the basic industries of the nation than the latter—that the railroads, the municipal utilities, the canals and the shipping of the country owe much more to life insurance investments than to banking accommodation. All this comes about because of the essential difference in the nature of the business of these social organizations—the life insurance corporations depending upon long-time investments for their income, and the banks upon short-time commercial loans. They play equally important roles in different ways.

The Individual's Problem.

Life insurance agents need to concentrate, much more than they have done in the past, upon the investment aspect of the individual's insurance problem. The man in the street knows little, unfortunately, of the business of life insurance, and practically nothing of the disposition of the funds which he contributes by way of premiums. Very often he imagines, in a sort of hazy way, that his premium payment is used by the insurance corporation merely to satisfy someone else's present claim. Superficially this is correct, no doubt, but only superficially. If the insured comprehended fully just what became of his premium payments—that they were used for investment, for productive purposes—he would assuredly take more interest in the transaction.

The average individual is averse to hoarding; that is to say, if he lives in any one of the countries of Western civilization. Hoarding still appeals to the Turk, the Hindoo and the Fellaheen of Egypt because of the extortion and cruelties they have suffered for centuries. The American, the Canadian and the Englishman, however—save in a few isolated instances—find hoarding for a rainy day altogether irksome. If the agent can show the prospect that in addition to providing for the future he is actually making a personal investment, as well as aiding the nation to keep the wheels of industry revolving, he has much better chances of meeting with success. And, it may be remarked in passing, that is the reason why the derelict in other lines of business is no longer welcomed by life insurance companies—men of enterprise, initiative, education and tenacity are demanded to deal with people of a sophisticated age.

Not a Gambler's Chance.

The prospect, therefore, who looks into the desirability of life insurance can be fully assured that he is neither hoarding his money nor gambling—that he has to die in order to win. The essence of gambling is found in the fact that an attempt is made to gain by taking chances that are not the unavoidable incidents of productive enterprises. The essential purpose of insurance is the imperatively important one of equalizing and eliminating chance. Modern insurance is, basically, mutual in its nature. The total premiums equal the total losses plus operating expenses, the interest on the reserve of premiums counting as part of the premium payment. In a sense, it may be said that the insured gets future protection by bearing the present losses of others. In other words, the less urgent wants of the present are sacrificed in order to protect the income that will take care of the wants and necessities of the future. To be economically sound, therefore, insurance must have to do with true, productive work and really productive agents; and with somewhat regular, ascertainable events beyond the control of the insured. Of course, both in fire insurance as well as in life insurance these events may be illegitimately controlled by the beneficiary. A man carrying life insurance may benefit his family, as he sees it, by committing suicide; and an individual having heavily insured his buildings may burn them down and collect the principal sum from the company which has assumed the risk. But after all, especially in life insurance, such swindlers are relatively few in numbers; sufficiently few, in any event, to have little or no influence upon the general principle as stated above.

The economic value of life insurance assumes enormous importance in the modern industrial world because of this single fact, if for no other. It introduces stability into a highly complex and constantly changing social organization. General Leonard Wood asserted at the close of the Spanish-American War that yellow fever destroyed more lives annually than were lost in the entire course of the military struggle; and a somewhat similar condition prevails to-day in the world of commerce and industry. Plainly put, we mean that unemployment, sickness, want and worry are more deadly in their effects than war itself—than even this stupendous war which has devastated half of Europe. Economic security, so slightly dealt with by most professional investigators, is of vital import to individual wellbeing.

Eliminating Worry.

Life insurance corporations have done a thousand times more than any other economic agent to obliterate worry and anxiety for the future. Through insurance the normal, thoughtful man could now provide, at one and the same time, both a competency for old age and, in the event of death, a capital fund for those immediately depending upon him. This is obvious, of course, so obvious as to appear a platitude; but it is of tremendous significance in this nerve-destroying age in which we live. Worry in itself causes a large proportion of the annual sick cases in this country; and occasional, aside altogether from chronic, sickness brings about an extraordinary amount of economic waste in this country.

It strikes us, however, that the insurance principle has not been pushed far enough in America. In its life aspect alone it is probably more highly developed than elsewhere; but the leaders in the movement should bear in mind that much remains to be done. For example, in every period of depression there is a considerable percentage of lapsed policies which are never afterwards made good. Some thoughtless critics have contended that this is good business for the insurance companies, inasmuch as they retain part of the premiums paid in and are not called upon to make losses good. The subject is too complicated to discuss in detail here, but it is safe to say that lapsed policies now bring no advantages to insurance companies. But in addition to this, through unemployment, sickness or accident, many are compelled to borrow on their policies, and a considerable proportion never wipe out the loan. It is clear that if provision were made for carrying through a broad programme of accident, sickness and unemployment insurance, the main life policy could be always amply protected. And let it not be forgotten that life insurance is, of all forms of insurance, the most vitally essential to the security and economic wellbeing of the individual.

Germany, the United Kingdom and France, have done much more in this direction than either the United States or Canada. Both Germany and the United Kingdom have a comprehensive and efficient scheme of insurance providing for the contingencies of sickness and unemployment—although unemployment insurance, in the United Kingdom, is still restricted to a few important trades. Both France and Germany provide for compulsory insurance against the disabilities of old age, while Great Britain gives gratis an old age pension to all those without means to provide the necessaries of life. We are not, however, so much concerned here with the technicalities of these various insurance problems as with the imperative need of dealing with them.

INSURANCE CHANGES.

Provident Accident to be Acquired by Northern Assurance.

The Provident Accident and Guarantee Company is to be acquired by the Northern Assurance Company which is offering twenty-one shillings and nine pence cash and twenty-four pounds sterling of 5 per cent. war loan, representing a total payment valued at twenty-three pounds fifteen shillings for each Provident share of ten pounds sterling, with four pounds paid up.

The Provident is continuing operations as a separate company under its existing management. Its business is chiefly accident, but includes fire and marine lines.

The London and Lancashire Fire Insurance Company, which for more than month past has been negotiating for the control of the Marine Insurance Company, is offering to purchase the latter's fifteen pounds paid shares on a basis of £57 per share, payable in shares of London and Lancashire debenture stock and 5 per cent. war loan. These terms will probably be accepted, but the Marine Company will continue to operate as a separate concern.

SUN LIFE AHEAD 2½ MILLIONS IN 6 MONTHS

Increase is Not Keeping Pace With Last Year's.

BIG RUSH IN STATES

Some Companies Running 30 to 40 Per Cent. Ahead of Last Year—Prosperity and War Clouds Responsible.

For the first six months of the present year there was an increase in policies of the Sun Life Assurance Company issued and paid for of $2,400,000, as compared with the corresponding period of 1916, according to an official statement made to THE POST. During the whole of 1916, the total increase over the year 1915 was $7,898,000, the policies issued amounting to $42,772,000. While the increase so far this year does not equal half the increase of last year, it must be considered that the policies written up in the latter half of each year as a rule far exceed those of the first six months, so that 1917 still has a chance, though it is unlikely that the same percentage of increase will be maintained as for last year. The general condition of prosperity in the country is resulting in a smaller percentage of lapses than in former years. This was the experience last year as well when the percentage for all companies in Canada was only 35.9 as compared with 43.5 in the previous year.

Ahead of Last Year.

Reports from the United States indicate that last year, phenomenal as were the totals that were rolled up by most of the insurance companies, will be badly beaten by 1917. Figures are available for most of the larger companies for the half year, and in the case of one, the New York Life, the increase was over 30 per cent., from $137,000,000 to $181,000,000. In one case the advance exceeded 40 per cent. The statistics covering the majority of the larger companies are as follows:

	1917.	1916.
New York Life	$181,621,100	$137,627,000
Mutual Life, N. York	109,000,000	87,639,120
Northwestern Mutual, Milwaukee	105,970,480	91,182,914
Aetna Life, Hartford	97,401,878	61,481,271
Penn. Mutual Life...	79,017,045	66,372,356
Mutual Benefit Life, Newark	69,850,215	51,142,755
John Hancock Mutual, Boston	51,860,636	32,450,000
Union Central, Cincinnati	45,443,873	36,120,156
Provident L. & T., Philadelphia	43,757,544	30,188,360
Massachusetts Mutual, Boston	38,321,535	27,630,607
Missouri State Life, St. Louis	24,338,531	23,309,144

The rush to insure in the United States is attributed to the continued prosperity and also to the war clouds and the actual outbreak of war, which has induced the younger element particularly, to become more receptive to the usual arguments on the need of protection. More insurance than usual was sought for voluntarily.

EQUITABLE MUTUALIZATION.

Plan, Approved by Stockholders, Goes Now to Policyholders and State Department.

Equitable Life Assurance Society stockholders have voted in favor of mutualization. The plan of mutualization of Equitable Life Assurance Society having been approved by the stockholders, it will now be submitted to the policyholders and the State Insurance Department.

An amendment to increase the price to be paid to minority stockholders from $1,500 to $5,400 (the amount to be paid General T. Coleman du Pont for his control), was rejected. The Society is capitalized at $100,000. Thomas F. Ryan purchased the majority stock for $2,500,000 in 1905 and placed it in the control of three trustees for voting purposes. Later, J. P. Morgan paid over $3,000,000 for this stock, and in June, 1915, General du Pont bought it for $4,394,540. In order to further the plan of mutualization, General du Pont is willing to sell his controling interest for approximately $2,000,000 less than its cost, plus interest. His offer aggregates $2,799,900 and includes in addition to the control stock, 63 shares of minority stock at $1,500 per share.

The Imperial Life Assurance Co. of Canada report new business of $8,132,081 for the first seven months of this year to the end of July. The gain in insurance during this period is $5,882,405. The total insurance now in force is $60,918,757.

CANADIAN ORDER OF CHOSEN FRIENDS

HEAD OFFICE HAMILTON CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor. W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer. J. H. Bell, M.D., Grand Medical Ex.

HAMILTON - ONTARIO

Western Assurance Company

(Fire, Explosion, Ocean Marine and Inland Marine Insurance)

Incorporated 1851

HEAD OFFICE, TORONTO, ONT.

Assets over - - - - - - $ 5,000,000.00
Losses paid since organization over - - - - - - - - $66,000,000.00

BOARD OF DIRECTORS: W. R. Brock, President; W. B. Meikle, John Aird, Robert Bickerdike, M.P. (Montreal), Alfred Cooper (London, Eng.), H. C. Cox, D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. A. Robert (Montreal), E. R. Wood.

Chief Office for Canada, TORONTO

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

ALFRED WRIGHT, MANAGER

British America Assurance Co.

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REAL ESTATE AND MORTGAGES

INVESTMENTS IN WAR BONDS HURTS BUILDING

Solution of Puzzling Problem Suggested by Montreal Real Estate Men.

NO MONEY FOR MORTGAGES

Demand for Houses in Montreal, From Rental Standpoint, is a Little Better Than it Has Been Since May

That investments in Government war loans are affecting somewhat seriously building operations in Montreal, particularly of houses and apartments, is the opinion of J. Cradock Simpson, President and Managing Director of the Cradock Simpson Co. This is one of the reasons for the deadness, comparatively, in building at the present time.

"In our own business we have had a number of estates the money from which, under ordinary conditions would have been invested in first mortgages on real estate, but now for patriotic reasons, it is being diverted to Government loans. This is making it very difficult for the contractors to secure loans on real estate, and is checking any activity that would otherwise have developed. Beyond a few houses that are being erected for individual owners little is going on to-day in Montreal, and there are at present no signs that this condition will be changed.

Mr. Simpson does not consider that there is any pronounced scarcity of available properties either to rent or to buy in Montreal. The demand now from a rental standpoint is a little better than it has been since the annual moving season, the first of May, but there is no indication that this will cause any increase in rents in this city this fall. "The landlords seem disposed to let well enough alone, and if they have good tenants to leave them undisturbed at the old figures. Rents show no signs of going up for some time."

Inquiries would indicate that Montreal had a surplus of flats and apartments that had been erected in the boom days of 1912 and early in 1913, and that, even although there has been little building since the outbreak of the war, there are still sufficient houses available to supply every demand for many months to come.

OIL NEAR GUELPH.

Standard Oil Reported to Have Acquired Extensive Property.

It is reported that agents of the Standard Oil Company have secured leases on 16,000 acres of farming land between Rockwood and Camp Borden. Mr. Slater, chief mineralogist of the Standard Oil Company states oil will be struck 500 feet from the surface, and that there is any amount of gas and oil in this district.

PLANS WILL BE COMPLETED.

Model City Will be Established, Despite Fate of Railway.

According to H. S. Adlington, secretary of the Canadian Northern Montreal Land Company, the plans for the model city will be carried through irrespective of what becomes of the Canadian Northern Railroad.

"Our policy with regard to the town of Mount Royal (Model City) is well defined," he said. "In fact, the company is going ahead with its schemes of developments, which include the building of houses, construction of roads, sewers, etc. Already there are six houses under construction and work is being started on macadamizing the main artery, Graham road.

"We expect that the trains will be running by the end of this year, and by that time the building of the town will be well under way. By spring we anticipate rapid progress, as the quick transit and the five cent fare will be a great incentive to home builders."

NEW YORK REALTY.

Prices Reported to be Dropping on Account of Low Yield.

The market price of real estate in New York has dropped materially, and investments in real estate, on account of their comparatively low yield are now meeting the opposition of stocks and bonds. The speculative builder is investing his money in stocks and bonds, and helping to swell the flood of money pouring into Wall Street.

It is probable that the coming mayoralty campaign in New York City will lay stress on the real estate conditions in the city. The City of New York gets its credit from the privately owned, taxable property within its borders. When the taxable value of such property falls, the credit of the city falls correspondingly. It is true that taxable values can be held up arbitrarily by assessors, but in the long run the market values will determine the assessed value. There is instance after instance on record in which buildings have been sold recently for less than the assessed valuation, and there have been some sales which failed to meet the prior liens.

NEW ASSOCIATION.

Mortgage and Trust Companies Combine in British Columbia.

The matter of forming a trust company association in British Columbia has been widely discussed among managers, directors and officers of trust companies for a considerable time for the purpose of mutual protection and increasing business. A few months ago it was practically decided to form an association. However, it was felt that because the Mortgage Loans Association of British Columbia was in the field and had wide powers, the same association could look after the affairs and interests of both. A meeting between the loan men and the trust company men was arranged, and, as a result, it was decided to change the name to the Mortgage and Trust Companies Association of British Columbia, and enlarge the executive committee to include the officers and six members, three of whom "shall represent trust companies only, whereas formerly it was composed of the officers and two members." For the further protection of trust company interests the constitution was further amended as follows: "The three trust company representatives on the executive committee shall have committed to them all matters purely affecting trust companies, and their reports and recommendations on such matters the executive committee shall lay before the association."

The officers and executive committee now stand as follows: President, G. L. Smellie, manager of the Canada Permanent Corporation; vice-president, J. R. Waghorn, of Waghorn, Gwynn & Co., Ltd.; secretary-treasurer, Geo. L. Schetky, manager of the North American Loan Co., Ltd.; R. Kerr Houlgate, financial agent; A. C. Stirrett, manager Credit Foncier Franco-Canadien; Col. G. H. Dorrell, manager Canadian Financiers Trust Company; A. E. Plummer, manager Prudential Trust Co., Ltd.; H. M. Forbes, manager of Toronto General Trusts Corporation, and J. L. Kerr, manager of the Confederation Life Association.

MORTGAGE FORECLOSED.

Once Prosperous Lumber Company in Nova Scotia in Difficulties.

The experience of the once splendid Davidson Lumber mills, at Bridgewater, N.S., confirms the old view that an industry may be made to pay handsomely when the original owner, rich in experience and practising economy, operates it, but that when it becomes highly capitalized and is operated by a new set of men, sound capitalists though they may be, successful though they might otherwise be, success is less certain. The Davisons made a lot of money from their lumber areas and mills on the LaHave river, but the New York capitalists who bought them some years ago for $1,000,000 have had only losses, and now the courts are taking a hand. There was a first mortgage of $50,000 and a second of $750,000. The interest is defaulted on the second and now this is being foreclosed in order that the holders of the larger amount may have something to show for the money paid out. The action was taken in the form of an application for a new receiver and manager. One million was too much money to pay for the property and the new owners had too great an overhead charge. The new enterprise was unable, therefore, to succeed whatever way it was handled, for it was weak at both ends. It is regrettable to see a once great industry thus fall on evil times, but it is an old story repeating itself.

The city of Montreal now claims to rank as the fourth largest city on the American continent, having a population of 760,000. The assessed valuation in 1916 was $822,718,557, with a revenue of $12,564,786.03. The city covers 30,699 acres of land. The population of the city of Toronto is 460,526, and the acreage covered is 20,418. Reclaimed land along the waterfront will eventually bring this figure to more than 25,000 acres.

ROOM FOR 300 INDUSTRIES IN NEW DISTRICT

Plans of Toronto Harbor Board Call for Factory Section With This Capacity.

LAND IS BEING RECLAIMED

Chief Engineer Gives the POST Some Interesting Information About this Progress on This Important Scheme.

Slowly but surely the extensive plans of the Toronto Harbor Commissioners for the improvement of Toronto's harbor and waterfront are advancing towards completion. By no means one of the least of their projects is the establishment of a big factory district on reclaimed land, where once Ashbridge's Bay was located. This scheme will eventually develop into one of the most important real estate propositions in Canada.

Up to the present time, the Commissioners report that 257 acres of land have been reclaimed and that 171 acres are now under lease to industries. Much of the success of the work is directly attributable to the untiring energy of E. L. Cousins, chief engineer and manager.

Objects of Scheme.

"The object of our development is to reclaim 890 acres of property making deductions for waterways, streets, and railway allowances," said Mr. Cousins to the FINANCIAL POST this week. It is purely a business proposition and the city of Toronto will reap all the benefits of the increase from industrial and commercial activity. On account of the geographical position it is the most logical distributing point for manufacturing firms in the whole of Canada.

"The district is now served by the Grand Trunk Railway. Ultimately the C.P.R. and the C.N.R. will enter the district. These are the three transcontinental railways of Canada and there will be an arrangement whereby no interswitching charges will be paid as in the case of the ordinary factory site. Industries locating here will have the benefit of 12 miles of rockage front with a draft of 24 feet of water and ultimately there will be thirty feet. This will enable them to ship by water during certain periods of the year. Two miles of streets are now being laid out and being sewered and paved. Six miles of railway tracks will be laid in the district. Twelve industries have now been secured. The first industry locating in 1912. The steel plant which will occupy 130 acres, employs 1,000 men, and street cars will serve the district in six weeks.

Leasing Terms.

"We lease to manufacturers at a 5% rental on the cost of making improvements," said Mr. Cousins. "Rentals run from $1,000 to $2,000 per acre per annum depending on the location, and whether there is direct or indirect access to water. Where a manufacturer wants to lease by the foot frontage, the charges run from $125 to $150 per foot on a depth of 150 to 250 feet. Most of the leases are arranged for a period of twenty-one years renewable, but term leases for ninety-nine years can be arranged. The first ground was ready for lease last year and the whole project should be completed by the end of 1918."

It is estimated that about 300 industries will finally be located in this area: They will give employment to about 40,000 men. assuming that the average wage is thirty dollars per week, they will have a pay roll of $1,200,000 per week, and taking the average rental at $1,500 per acre, they will pay $1,350,000 a year rent. The centre of gravity for the whole district is one mile and a half from the corner of King and Yonge Street.

In addition to the reclaimed land for factory sites, the plan includes parks, bathing pavilions, beaches, restaurants, and amusement parks. Civic officials are co-operating in every way possible in making the development a success. The Harbor Board consists of five members who serve without remuneration.

WILL VISE PURCHASES.

Expert Staff Found to Handle Buying For the Allies.

The Committee on Purchasing and Priority of the War Industries Board is now organizing a large and expert staff to handle all purchasing of the Allies in America, states the Wall Street Journal. The Allies have formally agreed to permit the purchasing committee, of which Bernard M. Baruch is chairman, to vise all the purchases made by their own purchasing agents. A very large staff will be necessary to handle the work and experts are being selected.

Judge Lovett is in charge of the priority work, one of the most important phases of the purchasing task. He has also been placed in charge of the operation of the new law providing for priority of railroad shipments. Through this law, the purchasing committee will virtually have authority over priority of manufacturing, since the things which are shipped first probably will be manufactured first. Through indirect method, the steel mills will be brought to realize the need for manufacturing steel plates needed in shipbuilding in preference to the manufacture of steel needed by private concerns.

The board is mainly occupied with organization work at the present time, but is keeping in touch with the cost accounting being done by the Federal Trade Commission. Some of the members of the Federal Trade Commission are anxious to get the price-fixing authority for American purchases, but it is believed that most of the authority will go to the War Industries Board, the Federal Trade Commission being confined largely to cost accounting. One of the undercurrents of the situation in Washington is the struggle between the Federal Trade Commission and the War Industries Board for price-fixing power, and this will not even be determined finally when the President names a "coal dictator." The situation with reference to coal is different from the situation with respect to other commodities, because the Food Bill specifically gives the President the power to fix coal prices, while he has that power in connection with other commodities only by reason of his commandeering authority.

For the first eleven days of August permits to the value of $1,951,850 were taken out in the city of Winnipeg. All indications point to the passing of the $5,000,000 mark before the end of the month. Commercial activity and a shortage of houses accounts for this remarkable showing. Many apartment houses are now being completed. A general rise in rents is also predicted.

PERIL IN BIG TAX ON INCOME SAYS NEW YORKER

Banker Utters Warning Against Too Heavy a Levy at Outset.

WILL THREATEN INDUSTRY

Argues That Assessment Must Not Cripple Trade, Halt Expansion or Affect Employment.

Distribution of war taxes on incomes over a period of years rather than the imposition of an excessive tax during the first year is the solution of the war financing problem, according to Otto H. Kahn, of Kuhn, Loeb & Co., New York, in a statement by him which has been issued by that company he declares it is in the public interest that not too great a tax should be levied at once. "The cost of the war must be laid according to the capacity to bear it," he said. "It would be fatuous folly and crass selfishness to wish it laid or endeavor to have it laid otherwise. All I am advocating in effect is that in the public interest not too much be exacted at once, that capital in no one year, and especially not during the first year of the war, should be so excessively taxed as to produce an unscientific and dangerous strain."

"Peril to Industry."

"I believe an income tax greatly increased over the rates heretofore prevailing, yet keeping within the bounds of moderation, would produce at least as large a total revenue as an exceedingly high one. And the consequences of the economic error of placing too vast a burden direct upon incomes would be more serious, I think, to the people in general than to the individuals directly concerned.

"The question of the individual is not the principal one. The essential thing is that no undue strain be placed upon that great fund of capital as a whole which is derived from incomes of all kinds.

"It is this fund which in its turn is one of the vital forces necessary for the normal activities and progress of industry. If that fund is suddenly and too greatly reduced the effect upon commerce and industry is liable to be abrupt and withering.

"I realize but too well that the load weighing at this time upon wage earners and still more perhaps upon men and women with moderate salaries is almost too great to be borne and certainly much greater than it should be.

What Canada Plans.

"But I am convinced that relief cannot be found in taxation of incomes at rates without a parallel anywhere, and in unduly, burdensome imposts upon business activities. I am convinced that certain theories being urged upon Congress and the people and to which the House war revenue measure is in part responsive are bound, in their longer effect, to bring about results harmful to the community at large, rich and poor alike.

"Within the last few days it has been announced that the Canadian Government has introduced a bill for the imposition of an income tax. The rates proposed are moderate for a war measure, the highest percentage of taxation being considerably less than one-half the rates fixed by our House of Representatives.

"Moreover, the act as introduced by the Canadian Government provides that income taxation will be remitted to individuals up to the amount which they are now paying directly or as members of a copartnership or as shareholders in corporations, for excess war profits taxes and other special war taxes under the existing laws.

"Personally I believe in both forms of taxation. While an excess profits tax is not entirely free from economic objections, I believe that from the merit and social point of view the arguments for it in war time are so strong as to make it a peculiarly appropriate tax—limited only by the consideration that it must not reach a point at which business activity would be crippled, cash resources unduly curtailed, expansion lamed, employment and wages affected or the incentive to maximum effort and enterprise destroyed."

B. C. SHIPBUILDING

Vessels to the Value of Twenty Millions Now Being Built

The steel and wooden craft in course of construction at the present time in British Columbia yards are valued at $20,000,000, according to the Monthly Commercial Letter of the Bank of Commerce. Among the vessels being built are two for the Dominion Government, eight for the Imperial Government, four for Norwegian shipping houses and seven wooden schooners for the lumber trade. This activity had its inception not more than a year ago and its development has had a very inspiriting effect upon the business of the entire province. The traffic of the Port of Vancouver during the twelve months ending March 31 last, was the heaviest on record, the vessels entered as compared with 9,942,197 tons in inwards and outwards numbering 21,301, and registering 11,735,984 tons, 1916, and 10,347,563 tons in 1915.

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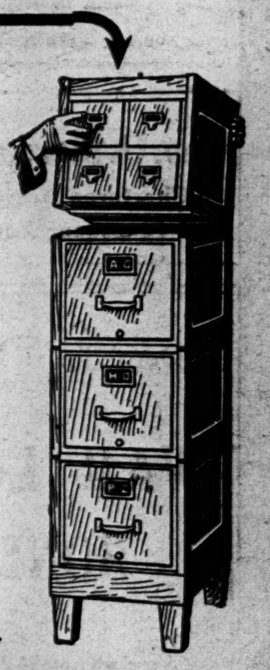

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SUCCESS OF GERMANY'S WAR LOAN DOUBTED

Will be Floated Under Unpromising Circumstances and May Prove Failure.

ECONOMIC-POLITICAL AFFAIRS

Evidence That the Financial Strain Cannot Be Borne By the German People Much Longer

The recent session of the German Reichstag was made necessary, it would appear, from the need of obtaining a further vote of credit. The amount agreed upon was £750,000,000 and a loan for this amount will probably be floated in September. The London Financier deals with this new loan in a recent issue and says in part:—

How the new loan will be received and subscribed it is, of course, impossible to foresee, but the occurrence is opportune for the examination of certain known factors in the problem, and for a brief consideration of the general conditions existing. We may begin by a brief record of the German loans actually issued to date during the past three years, premising that all the issues have been on terms yielding to the investor a return of rather over 5 per cent.:—

	Date of issue.	Total subscribed.
First Loan	Sept., 1914	£224,000,000
Second "	Mar., 1915	455,000,000
Third "	Sept., 1915	608,000,000
Fourth "	Mar., 1916	548,000,000
Fifth "	Sept., 1916	535,000,000
Sixth "	Mar., 1917	638,000,000
Total		£2,998,000,000

The total Votes of Credit passed in this country to date exceed £4,640,000,000, but from this no satisfactory inference can be drawn as to the relative cost of the war to the two nations, inasmuch as we have made large advances to our Allies. Similarly, no just comparison can be made with the public loans actually issued in this country, so far under £2,000,000,000, as our borrowings have been to a smaller extent than in the case of Germany made through this medium. In any case, however, the way in which Germany has responded hitherto to heavy financial demands has been impressive, and to a great extent unexpected.

Growing Pressure.

While frankly admitting this, it is, however, important to bear in mind how great and increasing has been the pressure brought to bear on all classes of the community to subscribe. Isolated from the world at large, and placed under the necessity of financing weaker Allies, expedients of all kinds have been resorted to for securing every penny available. Among the most remarkable and most desperate of these has been the urgent pressure, practically amounting to compulsion, brought to bear on State servants, and the limitation of Bourse transactions, the refusal of the joint stock banks to sell Industrial shares on credit, the raising of rates for bank deposits when ear-marked for loan purposes, exchange through the banks of foreign bonds and Industrial Debentures for war issues, and the suspension of withdrawal notices by the savings banks. All such measures, ingenious though they are, form in their nature merely temporary expedients. The closer the sheep are shorn for the moment the less wool there will be at the next shearing. The question is how long the process can go on.

Many Considerations.

Many considerations have to be taken into account in connection with the coming and perhaps, subsequent loans, and with regard to most of them it is only possible to speak in very general terms. The economic ability of the German people to furnish 750 millions, either actually or approximately, in the near future is by no means clear. It is true, on the one hand, that the few are making enormous war profits, which will and must be largely devoted to subscriptions, that only a negligible amount of the expenditure is derived from taxation, and that inability to purchase abroad prevents diversion of capital.

On the other hand, economic isolation is stopping important industries and has powerfully assisted in raising the level of prices to an extravagant rate, large classes of the more thrifty are greatly impoverished, and the country is being increasingly drained of its most efficient producers. Though this war has shown in so many directions unexpected ability to bear economic strain, there are signs that, in the case of the enemy, that strain cannot be borne much longer, though its precise limit cannot, of course, be foreseen. Whatever, however, the power of the German public to contribute fresh funds, there is the further question of its willingness to do so. That, in its turn, is a complicated matter. German stubbornness and natural pride need no demonstration, and these will be factors favorable to the extraction of all the money possible. At the same time there are other considerations of growing importance.

Increasing Dissatisfaction.

Internal conditions are to a great extent shielded from our view, but recent events indicate the existence of increasing dissatisfaction with the present position. Too much importance must not, of course, be attached to the recent proceedings of a majority of the Reichstag, but the fact that the Radicals and Socialists received the support of the Central party is significant of much. The latter body, which is frankly opportunist, is hardly likely to have committed itself to a policy of moderated peace aims and of internal reform had it not been convinced of great public support. That distrust of autocracy now exists is certain, though its extent is not easy to measure. Then, too, though data are scanty, it is difficult to avoid the conclusion that at any rate some sections of the population have the wit and sense to look beyond the moment and comprehend what a fourth war winter will mean, and how continued fighting in 1918 can be faced. Such may well be led to the conclusion that an early peace, on the best terms obtainable, is the only sound policy, and be thus led to look with disfavor on the demand for a large sum for further war expenditure on the basis of the Chancellor's speech.

A reasoned survey of the situation, both from its economic and political aspects, therefore suggests that the seventh War Loan will be floated under unpromising circumstances, and that its result may prove to be an important landmark in the final stages of hostilities.

THE LUMBER INDUSTRY

Value of Output This Year Will Be About Same as Last

In Eastern Canada the prospects for the lumber industry have been improved by the partial removal of the British embargo placed on shipments on private account, states the Bank of Commerce Monthly Letter. Canadian shipments are now permitted without licenses from the British Controller of Timber Supplies, when forwarded as deck cargoes. Purchases by the Imperial authorities have been insignificant in amount. Production has been limited by the enlistment of large numbers of men in forestry battalions for service in Great Britain and France. In spite of this decided handicap and the resulting decline in quantity, the value of the output for the current year will probably be about the same as for last year.

In British Columbia the mills continue to operate as fully as the labor supply will permit. There is some increase in the local demand arising out of the improvement in general conditions, but the prevailing activity is sustained chiefly by orders from other provinces and from abroad.

MOBILIZING CARS

War Board of United States Transfers Over Hundred Thousand Empties

As an illustration of how the railroads' war board of the United States is helping to relieve the congestion of traffic, it may be stated that during the past two months 106,033 empty cars have been ordered moved from one railroad to another, regardless of ownership, in order to mobilize in different sections of the country a sufficient number of cars to handle the abnormal government and commercial traffic that war conditions have produced.

Of the latest cars ordered by the war board to be distributed where they will be most needed, 7,800 are to be placed in the grain-producing country. To protect the vegetable and southern watermelon crops, more than 5,000 cars have been sent to roads operating in the southeast.

Meanwhile, hundreds of cars are being rushed daily to the lumber States of the South to take care of the tremendous movements of lumber to the Army contonments and shipbuilding yards. More than a thousand stock cars have also been sent into Texas to enable the cattle raisers there to get their herds into the western pasture country.

WATER-POWERS APPRECIATED

Their Use Has Minimized the Effect of Fuel Shortage

The inestimable value of Canada's water power resources is being more and more emphasized, and the large amount at present developed and utilized is attracting much attention outside the Dominion. A recent article in a New York technical journal pays a high tribute to this wealth, stating that, while electrical central station managers in the United States have been rather restive since the war was declared, wondering how they would weather the approaching storm, Canadians have passed through the crisis unscathed. The principal difficulties feared were that of financing and of securing coal. In Canada, however, as almost all the electric energy is generated from water-power, the scarcity and high price of fuel have not affected the industry materially. The low hydro-electric rates prevailing are a strong incentive to industrial extension and the per capita consumption of electricity in Canada is enormous. While the manufacture of munitions has helped to swell the figures, the total, exclusive of munition manufacture, is still very large.—L.G.D.

EXPORTS PROHIBITED

British Government Puts Ban on Exportations of Several Articles.

A cable was received last week by H. M. Trade Commissioner in Canada from the Board of Trade, London, stating that the exportation of the following articles from the United Kingdom had been prohibited from August 14:—Lasts, shoemakers' machines and tools, various; malleable iron castings, ethylic alcohol, zinc oxide and sulphide, metal cylinders, shark oil, rapeseed oil, vegetable seeds, tanning extracts.

INCOME TAX IS PROPOSED FOR WINNIPEG

Hitherto Revenue Has Been Principally Derived From a Realty Tax.

LARGER INCOME IS NEEDED

Figured That Million Dollars Could be Raised—Question as to How the Tax Should be Levied.

The city of Winnipeg, which has hitherto derived its municipal income very largely from a realty tax, is seriously considering the desirability of imposing a tax on incomes as well. An increased revenue will be necessary to pay charges on the Greater Winnipeg Waterways indebtedness and more money will be needed for the Patriotic Fund and it was hardly considered fair that the burden on real estate should be increased.

At a joint meeting of the city council and board of control last week, the question was given a preliminary discussion. A report of the board of valuation on systems of taxation and assessment was tabled and L. W. Donley, assessment commissioner, and R. H. Shanks, chairman, and other members of the board were present to explain points in the report. After explaining the situation, Mr. Donley stated that he believed over a million dollars could easily be raised by the imposition of an income tax.

The minimum income to be taxed would be $500 for a single man and $1,000 for a married man. The tax to be levied on taxable income, according to the recommendations of the commissioners, would run from 1 per cent. on the first $1,000 or any part thereof in excess of the prescribed minimum, to 6 per cent. on any sum of taxable income in excess of $12,000.

There would be a different tax on corporations running from 2 to 6 per cent.

Outside Sources of Revenue.

The main discussion took place around the principle as to whether the taxation should be confined entirely to business transactions in the city of Winnipeg. Mr. Donley pointed out that the commission recommended taxing only the revenue got from business originating in the city.

Ald. Fowler drew attention to the apparent unfairness of this in a case where a man living in the city might be deriving a revenue of, say $10,000 from capital invested in American stocks, and who would be exempt for income tax, while a neighbor drawing the same revenue in the city, would have to pay. The possible result would be that men with means living in the city would invest their capital outside of the city.

It was pointed out in the discussion that such concerns as mortgage companies doing farm lands business and banks doing rural and foreign business would also be exempt, which did not appear equitable.

Mr. Donley maintained the point, however, that as a principle to work on they could only levy the tax at the source where it was earned, and that men having money invested outside of Winnipeg city could have it taxed at the point where it was operating. Otherwise there would be the danger of a double tax in such cases.

Points of Difficulty.

The point was also raised as to the position of a man who was earning his income in Winnipeg, but who lived in St. James. He would be taxed on his income in Winnipeg because it would be declared as the source where it was earned, whereas, living as he did in St. James, he would not be getting the benefits from the taxation. The municipality where he lived could not get the tax.

Most of those present seemed to favor the idea of income tax, and there was suggested the advisability also of a tax on unearned increments, but it was deemed inapplicable. On the question of how to meet the case of the man who was living in the city and had his revenue coming from some other source offered a bit of a puzzle, on the principle that the tax could only be levied at the source where it was earned.

It was decided accordingly to meet at some future date and renew discussion on the matter.

Total taxes to be collected in Winnipeg for the fiscal year 1917-1918 as per the collecting roll just completed by Leo Donley, city assessment commissioner, will amount to $5,952,615.66. This is approximately $50,000 less than for 1916-1917, although the assessment was reduced this year by over $20,000,000.

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NOTICE is hereby given that a Dividend at the rate of five per cent. per annum (5%) upon the paid-up Capital Stock of this Bank has been declared for the three months ending the 31st August, 1917, and that the same will be payable at the Head Office and Branches, on and after Saturday, the 1st day of September, 1917. The Transfer Books will be closed from the 17th day of August, to the 31st day of August, 1917, both days inclusive.
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J. COOPER MASON, Acting General Manager.
Toronto, July 18th, 1917.

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